

Annual budget of *Siyancuma Municipality*

2015/16 TO 2017/18
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

VISION

A sustainable and economically viable community where residents enjoy a high quality of life.

MISSION

To economically and socially develop and empower the community through transparent, accountable, and democratic governments and by utilizing all available resources and human skills.



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Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative
CFO	Chief Financial Officer
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
NT	National Treasury
PBO	Public Benefit Organisations
PMS	Performance Management System
PPE	Property Plant and Equipment
RDP	Reconstruction and Development Plan
SALGA	South African Local Government Association
SAPS	South African Police Service
SCMP	Supply Chain Management Policy
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

Siyancuma Municipality

Budget Speech/ Begrotings Rede 2016/2017;

Geagte Raadslede van die Siyancuma Munisipaliteit;

Genooide Gaste;

Munisipale Bestuurder en Senior Bestuurders in die Munisipaliteit;

Vennote in Plaaslike Bestuur; en

Inwoners in die Siyancuma Munisipale Area.

Die Nasionale Ontwikkelings Plan en die Infrastruktuur Programme vorm steeds die ruggraat van die ontwikkelings inisiatiewe en die munisipaliteit sal homself moet posisioneer om die voordele van hierdie programme aan die inwoners van hierdie munisipaliteit bekend te stel en ook deel te neem daaraan.

Die munisipaliteit sal met Staatsdepartemente onderhandel vir moontlike geleenthede in die munisipale area en u kan verseker wees dat ons geen geleentheid sal laat verby gaan om voordele vir die gemeenskap te onderhandel nie.

Die munisipaliteit onderskryf steeds ons visie, dit lei dan ook as volg:

“ ’n Munisipaliteit gefokus op effektiewe dienslewering ‘onderskryf’ deur ’n volhoubare ekonomie”

Die visie reflekteer dan ook die volgende kritieke areas:

1. Ons bewustheid rakende effektiewe dienslewering

Hier wil ons weer die gemeenskap en al ons vennote in dienslewering verseker dat ons steeds verbind is in ons strewe om tot dienslewering en vasbeslote is om die mandaat wat die gemeenskap van Siyancuma ons gegee het uit te voer. Ons is vasbeslote om 'n organisasie kultuur te skep om die gemeenskap te verenig in ons dienslewering pogings.

2. Ons ideale in die vereniging van ons munisipaliteit in 'n funksionele eenheid

Soos ek reeds in die verlede gesê het, is ons steeds besig na 16 jaar in die nuwe munisipale bedeling om die munisipaliteit vanaf die verskillende dorpe en lande gebiede in een effektiewe eenheid te probeer omskep. Ons sukkel steeds om die werk- mag in dieselfde rigting teen die dieselfde pas te stuur. Ons is dus deur ons visie, missie en korporatiewe kultuur besig om hierdie potensieel ongemaklike situasie aan te spreek.

3. Ons begrip van wat dit verg om 'n munisipaliteit te wees wat gefokus is op dienslewering

Dames en here, ons visie gee ons 'n duidelike opdrag, dat ons fokus op '*dienslewering*' onderskryf word deur **ekonomiese 'volhoubaarheid'**. Dit beteken dat die Siyancuma Munisipaliteit sal bydra tot sy eie ondergang indien ons nie 'n omgewing skep vir ekonomiese ontwikkeling en investering nie. Dit bring mee dat investerings moontlikhede en behoud in die Siyancuma Munisipale area 'n kerndrywer is. Hierdie investerings- en behoud moontlikhede moet as 'n proses gesien word wat versterk sal word deur die doelwitte van munisipaliteit wat omsigtig en doeltreffend regeer en bestuur word. Dit beteken verder dat vergrote investerings vertroue gebou moet word op 'n gemeenskap wat ge-rat is vir groei en ontwikkeling.

Geagte Raadslede, wanneer ons oor hierdie sake praat, moet ons 'n paar oomblikke neem om eerlik te besin oor die uniekheid van ons munisipaliteit, ons is ryk aan hulpbronne en kultuur. Ons as Munisipale Raad aanvaar en omarm hierdie diversiteit en onderneem om dit te bevorder.

Hierdie begroting wat vandag aan u voorgelê word is 'n produk van die Raad se visie om hierdie diversiteit te bevorder. Deur die Geïntegreerde Ontwikkeling Plan

(GOP)(IDP) proses en later deur die begrotings konsultasie proses is u insette deeglik oorweeg.

Munisipale Bestuurder, gee my die geleentheid om die volgende onder u aandag te bring, *alhoewel die Raad reeds die (GOP)IDP in beginsel goedgekeur het*, sal die finale (GOP)IDP eers op 30 Junie 2015 goedgekeur word, voor dit kan gebeur moet die munisipaliteit verseker dat die IDP, die begroting en die Diensleweringse Begrotings Implementerings Plan (Service Delivery Budget Implementation Plan) (SDBIP) by mekaar aangepas is. Hierdie begroting is dus 'n kritieke deel van die (GOP)IDP as 'n sektorale plan.

Die Munisipale Raad het gedurende die gemeenskap deelname proses die begroting en die (GOP) IDP in elke wyk met die gemeenskap bespreek, ek kan u verseker dat met die finalisering van die begroting en die (GOP) IDP het Munisipaliteit ieder en elke voorstel met omsigtigheid oorweeg en in ag geneem.

Ek wil die raadslede en amptenary bedank vir die ywer waarmee julle hierdie proses aangepak het.

Ons sal gedurende volgende begrotings periodes ook moet konsentreer om die wykskomitees en Portefeulje Komitees van die Raad meer aktief betrokke te kry in die werksaamhede van die munisipaliteit om die gaping tussen raadslede en die gemeenskap te vernou.

Geagte Raadslede, laat my toe om die 2016/17 begroting aan u voor te lê

It is my pleasure to present a budget of a total expenditure of **R 168,458,900.00**. This total expenditure is divided into two major components and these are:

Operating Budget of R 147,827,900.00

From this total operating budget the total employee related costs are **R 48,993,797.00** and this account for **33,14%** of the total budget. I am glad to announce that this is below the nationally accepted norm of 35%. In reality ladies and gentlemen, it means we are utilising our human resources prudently and thus giving us room for human resources expansion should it be deemed necessary in the future.

Capital Budget of R 20,631,000.00

The Capital Budget that has been committed to date is R20,631,000.00 and we remain hopeful that this figure will be adjusted upwardly with more funding commitments from our various service delivery partners in government. This capital budget will be spent as follows:

- Office Equipment and computers
- Libraries
- Electricity
- Roads
- Water

The Capital Budget accounts for 12,25% of the total budget of the municipality. This could be attributed to the fact that according to Census 2011, there has been a decline in the population of Siyancuma from a population of just over 39000 to just over 37 000 people.

Ladies and gentlemen, you will note that this capital budget inhibits the municipality from implementing all its priorities as outlined in the IDP. This situation is further exacerbated by the fact that the municipality is unable to utilise its own plant (yellow fleet) for our day-to-day operations. Had we had our own plant, we would have been able to spend more time providing effective and reliable services. It is therefore our desire to explore the desirability and feasibility of taking up a loan for this purpose.

Councillors, in order to fund the expenditure of the municipality, the municipality will have to put in place a number of revenue related measures and it is hoped that these will reach a total of R **168,458,900.00**. This is accounted for in the form of grants from National Government and these are viz:

Operating Transfers and Grants

Local Government Equitable Share	39977000
Finance Management	2010000
EPWP Incentive	1000000
Sport and Recreation	1280000
Total Operating Transfers and Grants	44267000

Capital Transfers and Grants

Municipal Infrastructure Grant (MIG)	15851000
Electrification Grant	4000000
Total Capital Transfers and Grants	19851000

The municipality will however need to generate their own income by delivering services to its customers and collect property rates tax from all property owners within the municipality. In this regard the taxes and tariffs for services delivered will be affected as such:

Rates	8,75%
Electricity	8%
Water	8%
Waste Water Management	8%
Solid waste	8%

Councillors in the presence of all stakeholders and in particular the communities, allow me to reflect on the state of outstanding debt in the municipality. The Siyancuma Municipality is owed a total of over R 66,182,239.00 million by its customers. This in effect would have meant that the municipality would have had more than R 66 million in capital projects. Can you imagine how much can be done with R 66 million?

It is our hope to recover this amount of money and in the process supplement our service delivery efforts. In this regard, I urge councillors to be vigilant in the encouragement of customers to pay their rates and taxes and once more for the indigents, we have a process that governs our assistance to them and we need to encourage them to register. We will need to change the payment culture in the municipality and look and endeavours to enhance revenue.

Having said that I think we are all in agreement that we will start with our own officials and councillors who have outstanding municipal debt and we must consistently take a no-nonsense approach towards this.

In conclusion, I believe that the Siyancuma Municipality is on a growth trajectory. In this regard not only have we put in place plans for development, we have also vigorously taken pain to develop a positive organisational culture and have adopted new values and these are:

- ✓ Honesty
- ✓ Responsibility
- ✓ Accessibility
- ✓ Corruption Free
- ✓ High work ethic
- ✓ Rule of law
- ✓ Integrity

Councillors, the officials and in particular the senior management have committed to ensuring that they will institutionalise these values and as such ensure a culture shift within the municipality. I believe that the success of this budget lies in those efforts and the efforts of the collective to be conscious and diligent in the execution of their duties.

Enkosi

Baie dankie

Thank you

Ke a leboga

1.1 Council Resolutions

On 31 March 2016 the Council of Siyancuma Municipality Local Municipality met in the Council Chambers of Siyancuma Municipality to consider the annual budget of the municipality for the financial year 2016/17. The Council approved and adopted the following resolutions:

1. The Council of Siyancuma Municipality Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2016/17 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification);
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote);
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
 - 1.1.4. Single-year capital appropriations by municipal vote and standard classification and associated funding by source.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as;
 - 1.2.2. Budgeted Cash Flows
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation
 - 1.2.4. Asset management; and
 - 1.2.5. Basic service delivery measurement
2. The Council of Siyancuma Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016.
3. The Council of Siyancuma Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016 the tariffs for other services.
4. To give proper effect to the municipality's annual budget, the Council of Siyancuma Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
 - 4.2. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

1.2 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. All debtors who can afford to pay were handed over to Herman van Heerden Attorneys for collections. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. One of the initiatives was that customers are encouraged to pay whereby rebates are given to those who paid their arrear accounts in full. Special attention is given to customer enquiries regarding service delivery. A complaints register is implemented and complaints are dealt within 48 hours.

National Treasury's MFMA Circulars were used to guide the compilation of the 2016/17 MTREF.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The increased cost of bulk water and electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be a point where services will no-longer be affordable;
- The municipality prioritise bucket eradication, but although the backlogs were addressed in previous financial years, the challenge is the increase of housing development in the rural areas where bucket systems are temporarily installed;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Availability of funding for priority capital projects – Schmidtsdrift is a new area which form part of Siyancuma's service deliverables. Thus MIG funding will be utilised mainly for this project over the MTREF. Bulk purchases, new infrastructure development and maintenance expenses are expected to increase, whilst revenue will not cover costs due to the indigent numbers in this area.
 - Availability of affordable capital.

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- The 2015/16 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2016/17 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk

- water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- Additional services must be delivered to Schmidtsdrift community and was factored into the capital and operating budget.
- MIG office earmarked R65 million towards upgrading of gravel roads in the Siyancuma Municipal area over a 3 year period. This project is has started in May 2013;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2016/17 MTREF

DESCRIPTION	ADJUSTED BUDGET 2015/16	BUDGET YEAR 2016/17	BUDGET YEAR 2017/18	BUDGET YEAR 2018/19
Total operating revenue	116 257	119 417	124 868	132 966
Total operating expenditure	148 652	147 828	155 863	171 778
Surplus(deficit) for the year	(8 198)	(8 360)	(12 087)	(20 166)
Total capital expenditure	25 821	20 631	19 108	18 856

Total operating revenue has increased by R3,00 million for the 2016/17 financial year when compared to the 2015/16 Adjustments Budget (before non cash items and repairs and maintenance). For the two outer years, operational revenue will increase by 5 and 5,3 per cent respectively, equating to a total revenue growth of R13 million over the MTREF when compared to the 2015/16 financial year.

Total operating expenditure for the 2016/17 financial year has been appropriated at R 147,828 million and translates into a budgeted deficit of R8,3 million. When compared to the 2015/16 Adjustments Budget (before non cash items and repairs and maintenance), operational expenditure has increased by 10 per cent in the 2015/16 budget and increased by 3,6 and 10.34 per cent for each of the respective outer years of the MTREF. The operating deficit for 2016/17 decreased to R8,3 million and increased again to R20,166 million deficit.

The current implementation of GRAP 17 caused an increase in depreciation and asset impairment that is not fully accommodated in the municipality's tariffs and as a result contributed to the deficit. Measures are put in place to collect outstanding debtors by handed it over for collection by Herman van Heerden Attorneys. The result already proofed to be effective and from 28 May 2012, a debt collection unit was established within the municipality.

The capital budget of R20,631 million for 2016/17 is more or less the same when compared to the 2016/17 Adjustment Budget (R 31,783million). A substantial portion of the capital budget will be funded from grants over MTREF. Grants will also

1.3 Operating Revenue Framework

For Siyancuma Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with maintenance backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
 - Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 75 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
 - The municipality's Indigent Policy and rendering of free basic services; and
 - Tariff policies of the Municipality.

Table 2 Summary of revenue classified by main revenue source

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source												
Property rates	2		6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Property rates - penalties & collection charges			—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue	2		20 576	24 518	24 855	42 090	34 810	34 810	34 810	37 868	40 592	43 478
Service charges - water revenue	2		9 426	9 856	10 887	16 108	9 022	9 022	9 022	13 609	14 421	15 430
Service charges - sanitation revenue	2		5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Service charges - refuse revenue	2		4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Service charges - other			—	—	—	—	(0)	(0)	(0)	175	187	200
Rental of facilities and equipment			416	485	266	461	347	347	347	248	307	327
Interest earned - external investments			875	307	407	620	90	90	90	100	260	260
Interest earned - outstanding debtors			561	630	682	629	629	629	629	700	400	430
Dividends received			—	—	—	—	—	—	—	—	—	—
Fines			48	87	2 966	6 800	5 800	5 800	5 800	3 000	3 210	3 435
Licences and permits			13	914	986	450	450	450	450	80	86	92
Agency services			755	—	(0)	758	711	711	711	800	856	916
Transfers recognised - operational			38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other revenue	2		872	11 919	8 994	438	597	597	597	618	653	700
Gains on disposal of PPE			—	137	369	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)			88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966
Expenditure By Type												
Employee related costs	2		35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Remuneration of councillors			3 066	3 388	3 626	3 161	3 480	3 480	3 480	3 341	3 508	3 754
Debt impairment	3		11 158	91	36 010	11 159	11 159	11 159	11 159	13 864	14 793	15 838
Depreciation & asset impairment	2		11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Finance charges			2 380	1 673	6 470	467	261	261	261	1 836	1 762	1 859
Bulk purchases	2		23 306	28 721	33 296	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Other materials	8		—	2 206	2 185	—	—	—	—	—	—	—
Contracted services			—	—	—	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Transfers and grants			1 488	2 546	1 923	12 942	—	—	—	—	—	—
Other expenditure	4, 5		18 653	19 694	23 467	33 680	38 531	38 531	38 531	29 824	32 128	34 912
Loss on disposal of PPE			90	77	2 464	—	—	—	—	—	—	—
Total Expenditure			107 335	106 129	163 970	166 055	148 652	148 652	148 652	147 828	155 863	171 778
Surplus/(Deficit)			(19 204)	650	(54 540)	(30 822)	(32 395)	(32 395)	(32 395)	(28 411)	(30 995)	(38 812)
Transfers recognised - capital			27 022	24 191	42 076	32 905	24 197	24 197	24 197	20 051	18 908	18 646
Contributions recognised - capital	6		—	—	—	—	—	—	—	—	—	—
Contributed assets			106	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Taxation			—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Attributable to minorities			—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Share of surplus/ (deficit) of associate	7		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)

Table 3 Percentage growth in revenue by main revenue source

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	20 576	24 518	24 855	42 090	34 810	34 810	34 810	37 868	40 592	43 478
Service charges - water revenue	2	9 426	9 856	10 887	16 108	9 022	9 022	9 022	13 609	14 421	15 430
Service charges - sanitation revenue	2	5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Service charges - refuse revenue	2	4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Service charges - other		–	–	–	–	(0)	(0)	(0)	175	187	200
Rental of facilities and equipment		416	485	266	461	347	347	347	248	307	327
Interest earned - external investments		875	307	407	620	90	90	90	100	260	260
Interest earned - outstanding debtors		561	630	682	629	629	629	629	700	400	430
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		48	87	2 966	6 800	5 800	5 800	5 800	3 000	3 210	3 435
Licences and permits		13	914	986	450	450	450	450	80	86	92
Agency services		755	–	(0)	758	711	711	711	800	856	916
Transfers recognised - operational		38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other revenue	2	872	11 919	8 994	438	597	597	597	618	653	700
Gains on disposal of PPE		–	137	369	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise more than 60 percent of the total revenue mix for the 2016/17 financial year. A notable trend is that percentage of rates and services charges in relation to total operating expenditure decrease yearly to 51% at the end of the MTREF period. The above table includes revenue foregone arising from discounts and rebates associated with property rates according the rates/tariff policies of the municipality (Rates = rates minus revenue foregone).

Electricity is the largest (25%:R37,000 million), water second largest (11%:R13,6 million) property rates third largest (8%:R11,016 million) contributors to revenue.

Operating grants and transfers totals R 45,393 million in the 2016/17 financial year and steadily increases to R48,250 million by 2018/19. Note that the year-on-year growth for the 2016/17 and 2017/18 financial years are 9 per cent and decrease to 8 per cent in the 2017/18 financial year.

Table 4 Operating Transfers and Grant Receipts (SA18)

NC078 Siyancuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		39 879	39 976	41 704	43 280	43 280	43 280	42 987	42 967	45 324
Local Government Equitable Share		35 680	36 842	38 021	39 475	39 475	39 475	39 977	40 622	42 724
Finance Management		1 500	1 650	1 800	1 875	1 875	1 875	2 010	2 345	2 600
Municipal Systems Improvement		800	484	883	930	930	930			
Water Services Operating Subsidy										
EPWP Incentive		1 899	1 000	1 000	1 000	1 000	1 000	1 000		
Provincial Government:		312	630	826	-	648	-	1 280	-	-
Library Subsidy		312	630	826		648		1 280		
Human Settlement Dev Grant										
Municipal Capacity Building grant										
Maintenance on Proclaimed Roads										
Municipal Infrastructure Support Grant										
CDW										
FMSG										
Thusong Services Grant (Operational Support										
Municipal Performance Management Grant										
SUPPORT FOR IDP PROJECTS										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		156	72	11	-	-	-	-	-	-
Griekwastad 457										
SETA		156	72	11						
Douglas Oxidation Pounds										
Total Operating Transfers and Grants	5	40 347	40 678	42 540	43 280	43 928	43 280	44 267	42 967	45 324

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must consider in their budget documentation the inflation forecasts as per MFMA Circular . Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom's bulk tariffs are far beyond the mentioned inflation target. Given that this tariff increase is determined by NERSA, the impact on the municipality's electricity bill is largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.3.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA);
 - 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;

- For pensioners, physically and mentally disabled persons, a maximum rebate of 50 per cent will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2016/17 financial year based on a 6 per cent increase from 1 July 2016 is contained below:

Table 5 Comparison of proposed rates to levied for the 2015/16

Property Class	2015/2016	2016/2017	2016/2017 (Rebate)
Residential (RR01)	0,012164	0,009850	0 %
Residential 2 (RR02)	0,012164	0,009850	0 %
Residential 3 (RR03)	0,012164	0,009850	0 %
Business (RB01)	0,013269	0,006050	0 %
Agriculture (RA01)	0,000780	0,000500	10 %
Agriculture DMA (RA04)	0,000780	0,000505	10 %
Agri Campbell (RA02 RA04)	0,003601	0,002910	10 %
Mines (RM01)	0,022721		0 %
Multi – purpose (RMP1)	0,012164	0,010200	0 %
School (RS01)	0,012164	0,009200	0 %
Creche	0,012164	0,011564	0 %
Public space (RPS1)	0,012164	0,015400	0 %
Sportground (RSG1)	0,012164	0,012164	0 %
Clinic (RCL1)	0,012164		0 %
Museum (RMS1)	0,012164	0,002000	0 %
Infrastructure (RI01)	0,012164	0,002000	0 %
SAPS (RP01)	0,012164		0 %
National Parks (RNP1)	0,012164		0 %
State Owned (RS01)	0,012164	0,012800	0 %
Vacant Municipal (RVM1)	0,012164	0,002000	0 %
Municipality (RMU1)	0,012164	0,002000	0 %
Place of Public Worship (RCH1)	0,012164	0,010800	100 %
Building clause (RBC1) (If improvements is not made within two years after the purchase of a property a value of R 350 000 will be used)	0,057164	0,009850	

1.3.2 Sale of Water and Impact on Tariff Increases

Siyancuma municipality carefully review the level and structure of water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
 - Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014. Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Water is supplied by Vaal Oranje Water Board, which did not increase its bulk tariffs significantly and enable the municipality to increase there tariffs with only 8% from 1 July 2016.

In addition 6 kℓ water per 30-day period will again be granted free of charge to Indigent Households.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs

Description	2015/2016	2016/2017
Residential	Rand per kℓ	Rand per kℓ
Monthly Basic Fee	R 53,74	R 57,50
Free for Indigents 0-6kl	R 0	R 0
Consumption 0 – 6kl	R 5,37	R 5,70
Consumption 7 – 25kl	R 6,29	R 6,80
Consumption 26 - 40kl	R 6,33	R 6,90
Consumption > 41 kl		R 7,10

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 7 Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount Payable 2014/15 R	Proposed amount Payable 2015/16 R	Difference (Increase) R	Percentage change
6	32,22	34,20	1,98	8%
50	308,98	335,92	26,94	8%

The tariff structure of the 2016/17 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R6.9 per kilolitre for consumption in excess of 50kℓ per 30 day period.

1.3.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure resulting in a 7 per cent increase in the Eskom bulk electricity tariff to municipalities from 1 July 2016.

Considering the Eskom increases, the electricity tariff of the municipality increased by 7 per cent to offset the additional bulk purchase cost from 1 July 2016. Furthermore, it should be noted that given the high tariff increase, the municipality is expecting a reduction in the growth of electricity consumption, which will have a negative impact on the municipality's revenue from electricity sales.

The difference between the bulk purchase increase and tariff increase of 2.2% will result in a loss in electricity revenue for the municipality.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

Description	2015/2016	2016/2017
Domestic Prepaid		
Block (0-50 kwh)	R 0,86	R 1,03
Block (51-350 kwh)	R 0,95	R 1,03
Block (351-600 kwh)	R 1,41	R 1,49
Block (>600 kwh)	R 1,66	R 1,49
Description	2015/2016	2016/2017
Domestic Conventional		
Block (0-50 kwh)	R 0,86	R 1,01
Block (51-350 kwh)	R 0,95	R 1,01
Block (351-600 kwh)	R 1,41	R 1,46
Block (>600 kwh)	R 1,66	R 1,46
Basic Charge	R 149,17	R 1,61

It should further be noted that NERSA had advised that a stepped tariff structure needs to be implemented from 1 July 2012. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

1.3.4 Sanitation and Impact of Tariff Increases

A tariff increase of 8 per cent for sanitation from 1 July 2016 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 20 per cent of waste water treatment input costs, therefore the higher than CPI increase of 8 per cent for sanitation tariffs. The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation will be applicable to registered indigents only, for buckets an amount of R75 and vacuum tanks R120; and
- The total revenue expected to be generated from rendering sanitation service amounts to R2,9 million for the 2016/17 financial year.

The following table compares the current and proposed tariffs:

Table 9 Comparison between current sanitation charges and increases

Description	2015/2016	2016/2017
Monthly Charges	R	R
Indigent (100% Subsidy)	R 100,72	R 115,00
Domestic	R 100,72	R 115,00
Extra	R 50,36	R 55,00
Business	R 222,26	R 245,00
Extra	R 111,13	R 120,00
Municipal	R 218,22	R 235,00
Extra	R 109,11	R 120,00
Government	R 884,15	R 990,00
Extra	R 111,13	R 125,00
Availability Empty Stands	R 100,72	R 115,00
Buckets	R 67,13	R 75,00
Extra	R 67,13	R 70,00
Vacuim	R 100,72	R 120,00
Vacuim Business	R 222,26	R 245,00

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

1.3.5 Waste Removal and Impact of Tariff Increases

The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration.

An 8 per cent increase in the waste removal tariff is proposed from 1 July 2016. Higher increases will not be viable in 2016/17 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 8 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2016:

Table 10 Comparison between current waste removal fees and increases

Description	2015/2016	2016/2017
Monthly Charges	R	R
Indigent 100% subsidy	R 80,19	R 88,00
Domestic	R 80,19	R 88,00
Extra	R 40,10	R 42,00
Businesses (2 Container)	R 172,97	R 190,00
Extra	R 86,49	R 90,00
Municipal (2 Container)	R 169,82	R 185,00
Extra	R 84,91	R 90,00
Garden Refuse & Building Rubble	R 125.00 per load or part thereof	R 200.00 per load or part thereof

1.3.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept between 8 and 11.3 per cent, with the same increase for indigent households as all services are subsidized. Indigent users are sometimes responsible for overuse of electricity and water.

Table 11 Household Bill

NC078 Siyancuma - Supporting Table SA14 Household bills

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates					638,48	638,48	638,48		694,36	736,02	780,18
Electricity: Basic levy					149,17	149,17	149,17		163,34	173,14	183,53
Electricity: Consumption					1 332,00	1 332,00	1 332,00		1 449,51	1 536,48	1 628,66
Water: Basic levy					53,74	53,74	53,74		57,50	60,95	64,61
Water: Consumption					183,18	183,18	183,18		197,10	208,93	221,46
Sanitation					100,72	100,72	100,72		108,78	115,31	122,23
Refuse removal					80,19	80,19	80,19		86,61	91,81	97,31
Other											
sub-total		-	-	-	2 537,48	2 537,48	2 537,48	8,7%	2 757,20	2 922,63	3 097,99
VAT on Services					265,86	265,86	265,86	-	288,80	306,12	324,49
Total large household bill:		-	-	-	2 803,34	2 803,34	2 803,34	8,7%	3 045,99	3 228,75	3 422,48
% increase/-decrease					-	-	-		8,7%	6,0%	6,0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates					452,06	452,06	452,06		491,63	521,13	552,39
Electricity: Basic levy					149,17	149,17	149,17		163,34	173,14	183,53
Electricity: Consumption					539,50	539,50	539,50		581,36	616,24	653,21
Water: Basic levy					53,74	53,74	53,74		57,50	60,95	64,61
Water: Consumption					151,73	151,73	151,73		163,15	172,94	183,32
Sanitation					100,72	100,72	100,72		108,78	115,31	122,23
Refuse removal					80,19	80,19	80,19		86,61	91,81	97,31
Other											
sub-total		-	-	-	1 527,11	1 527,11	1 527,11	8,2%	1 652,36	1 751,51	1 856,60
VAT on Services					150,51	150,51	150,51	-	162,50	172,25	182,59
Total small household bill:		-	-	-	1 677,62	1 677,62	1 677,62	8,2%	1 814,87	1 923,76	2 039,18
% increase/-decrease					-	-	-		8,2%	6,0%	6,0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates					265,64	265,64	265,64		288,90	306,23	324,60
Electricity: Basic levy					149,17	149,17	149,17		163,34	173,14	183,53
Electricity: Consumption					285,00	285,00	285,00		304,44	322,71	342,07
Water: Basic levy					53,74	53,74	53,74		57,50	60,95	64,61
Water: Consumption					88,06	88,06	88,06		95,06	100,76	106,81
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	841,61	841,61	841,61	8,0%	909,24	963,79	1 021,62
VAT on Services					80,64	80,64	80,64	-	86,85	92,06	97,58
Total small household bill:		-	-	-	922,25	922,25	922,25	8,0%	996,08	1 055,85	1 119,20
% increase/-decrease					-	-	-		8,0%	6,0%	6,0%

1.4 Operating Expenditure Framework

The Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
 - Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
 - Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2016/17 budget and MTREF (classified per main type of operating expenditure):

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source												
Property rates	2		6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Property rates - penalties & collection charges			—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue	2		20 576	24 518	24 855	42 090	34 810	34 810	34 810	37 868	40 592	43 478
Service charges - water revenue	2		9 426	9 856	10 887	16 108	9 022	9 022	9 022	13 609	14 421	15 430
Service charges - sanitation revenue	2		5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Service charges - refuse revenue	2		4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Service charges - other			—	—	—	—	(0)	(0)	(0)	175	187	200
Rental of facilities and equipment			416	485	266	461	347	347	347	248	307	327
Interest earned - external investments			875	307	407	620	90	90	90	100	260	260
Interest earned - outstanding debtors			561	630	682	629	629	629	629	700	400	430
Dividends received			—	—	—	—	—	—	—	—	—	—
Fines			48	87	2 966	6 800	5 800	5 800	5 800	3 000	3 210	3 435
Licences and permits			13	914	986	450	450	450	450	80	86	92
Agency services			755	—	(0)	758	711	711	711	800	856	916
Transfers recognised - operational			38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other revenue	2		872	11 919	8 994	438	597	597	597	618	653	700
Gains on disposal of PPE			—	137	369	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)			88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966
Expenditure By Type												
Employee related costs	2		35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Remuneration of councillors			3 066	3 388	3 626	3 161	3 480	3 480	3 480	3 341	3 508	3 754
Debt impairment	3		11 158	91	36 010	11 159	11 159	11 159	11 159	13 864	14 793	15 838
Depreciation & asset impairment	2		11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Finance charges			2 380	1 673	6 470	467	261	261	261	1 836	1 762	1 859
Bulk purchases	2		23 306	28 721	33 296	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Other materials	8		—	2 206	2 185	—	—	—	—	—	—	—
Contracted services			—	—	—	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Transfers and grants			1 488	2 546	1 923	12 942	—	—	—	—	—	—
Other expenditure	4, 5		18 653	19 694	23 467	33 680	38 531	38 531	38 531	29 824	32 128	34 912
Loss on disposal of PPE			90	77	2 464	—	—	—	—	—	—	—
Total Expenditure			107 335	106 129	163 970	166 055	148 652	148 652	148 652	147 828	155 863	171 778
Surplus/(Deficit)			(19 204)	650	(54 540)	(30 822)	(32 395)	(32 395)	(32 395)	(28 411)	(30 995)	(38 812)
Transfers recognised - capital			27 022	24 191	42 076	32 905	24 197	24 197	24 197	20 051	18 908	18 646
Contributions recognised - capital	6		—	—	—	—	—	—	—	—	—	—
Contributed assets			106	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Taxation			—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Attributable to minorities			—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Share of surplus/ (deficit) of associate	7		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year			7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)

The budgeted allocation for employee related costs for the 2016/17 financial year totals R 45 million, which equals 30,5 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 8 per cent for the 2016/17 financial year. An annual increase of 8 per cent has been included in the two outer years of the MTREF. Critical posts are prioritized to be filled in 2016/17 and included in the budget.

It should be noted that the total financial implication could not be determined as the applicable municipal wage curve (representing equal pay for equal work at all municipalities in South Africa) has not been finalised.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation, Government Gazette 38608 dated 25 Marh 2015 in this regard has been taken into account in compiling the municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 75 per cent and the subsidy of the Indigents. For the 2016/17 financial year this amount equates to R 13,8 million and escalates to R 15,8 million by 2018/19. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption.. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.5 per cent (R1,836 million) of operating expenditure for 2016/17 and increases to R 1,859 thousand by 2018/19.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Vaal Oranje Water Board. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

After evaluation, several operational inefficiencies were discovered with the existing equipment. In the 2016/17 financial year Contracted Services totals R 1,800 million and has decreased by 170% per cent from the adjustment budget 2015/16. The enormous increase is the upgrading of printers and photo copiers. For the two outer years growth has been limited to just 5 and 7 per cent.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

1.4.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2016/17 budget and MTREF provide for growth in the area of asset maintenance of 2 per cent. Repairs and Maintenance expenditure is based on historical information. The reason being that the Technical Department provide no inputs and no asset renewal strategy or repairs and maintenance plans exist. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Figure 1 Main Operating Expenditure Catogary

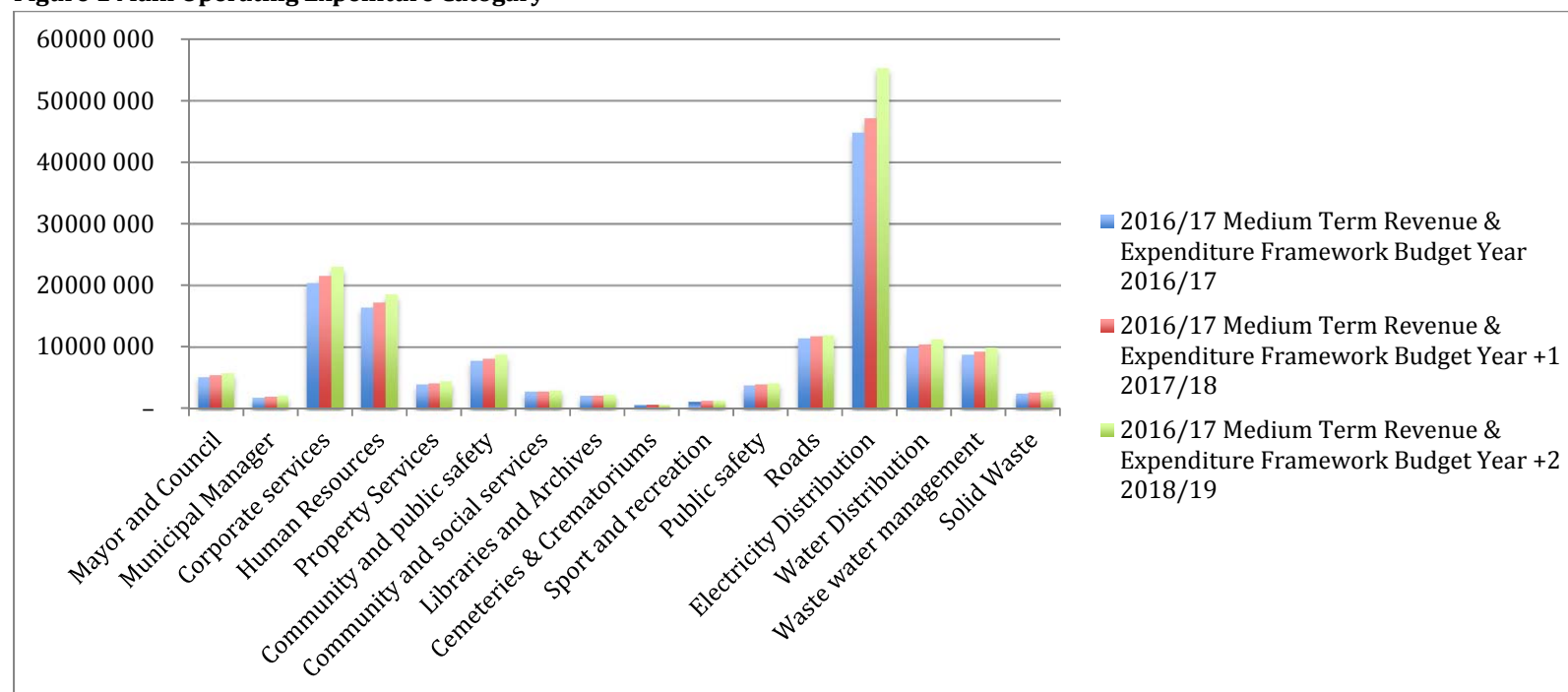


Table 12 Operational repairs and maintenance

As part of the 2016/17 MTREF priority is given to maintaining roads that comprise of 22 % of the Repairs and Maintenance budget. Water maintenance is 23% and Electricity 11 per cent of the total Repairs & Maintenance Budget. The total allocation for 2016/17 equates to R 6,067 million a decrease of 18 per cent in relation to the Adjustment Budget of 2015/16 and grow at 5 and 7 per cent over the MTREF. These increases are towards maintaining roads, water and electricity as prioritised in the IDP.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

NC078 Siyancuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		3 543	—	—	5 136	—	—	4 813	5 059	5 413
Infrastructure - Road transport		1 296	—	—	1 560	—	—	1 300	1 365	1 461
Roads, Pavements & Bridges		1 296	—	—	1 560	—	—	1 300	1 365	1 461
Storm water		—	—	—	—	—	—	—	—	—
Infrastructure - Electricity		840	—	—	720	—	—	720	756	809
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		840	—	—	720	—	—	720	756	809
Street Lighting		—	—	—	—	—	—	—	—	—
Infrastructure - Water		628	—	—	1 426	—	—	1 430	1 502	1 607
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		—	—	—	—	—	—	—	—	—
Reticulation		628	—	—	1 426	—	—	1 430	1 502	1 607
Infrastructure - Sanitation		560	—	—	837	—	—	880	929	994
Reticulation		—	—	—	—	—	—	—	—	—
Sewerage purification		560	—	—	837	—	—	880	929	994
Infrastructure - Other		219	—	—	593	—	—	483	507	543
Waste Management		219	—	—	593	—	—	483	507	543
Transportation		—	—	—	—	—	—	—	—	—
Gas		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Community		393	—	—	1 133	—	—	741	778	803
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		—	—	—	—	—	—	—	—	—
Swimming pools		—	—	—	—	—	—	—	—	—
Community halls		—	—	—	—	—	—	—	—	—
Libraries		8	—	—	88	—	—	65	68	73
Recreational facilities		49	—	—	131	—	—	71	75	80
Fire, safety & emergency		11	—	—	105	—	—	105	110	118
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		5	—	—	110	—	—	20	21	22
Social rental housing		—	—	—	—	—	—	—	—	—
Other		320	—	—	699	—	—	480	504	509
Heritage assets		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Other assets		554	—	—	343	—	—	513	528	565
General vehicles		302	—	—	120	—	—	120	126	135
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		—	—	—	—	—	—	—	—	—
Computers - hardware/equipment		149	—	—	100	—	—	100	95	101
Furniture and other office equipment		316	—	—	123	—	—	123	129	138
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		180	—	—	—	—	—	170	179	191
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		(392)	—	—	—	—	—	—	—	—
Agricultural assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Computers - software & programming		—	—	—	—	—	—	—	—	—
Other (list sub-class)		—	—	—	—	—	—	—	—	—
Total Repairs and Maintenance Expenditure		4 490	—	—	6 611	—	—	6 067	6 365	6 781
Specialised vehicles		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Fire		—	—	—	—	—	—	—	—	—
Conservancy		—	—	—	—	—	—	—	—	—
Ambulances		—	—	—	—	—	—	—	—	—

For the 2016 financial year, 71 per cent or R5,265 million of total repairs and maintenance will be spent on infrastructure assets.

1.4.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. The target is to register 4000 more indigent households during the 2016/17 financial year, a process reviewed annually. The increase in Indigents will be Smitsdrift and farmers area in Niekerkshoop up to Grobblersshoop. A sensible total for Indigents are budgeted over the MTREF until the Indigent Register is updated at mid-year. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.5 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 13 2013/14 Medium-term capital budget per vote

NC078 Siyancuma - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—	—
Vote 2 - COUNCIL		—	—	—	—	—	—	—	—	—	—
Vote 3 - CORPORATE AND HUMAN RESOURCES		—	—	—	—	—	—	—	—	—	—
Vote 4 - FINANCE		—	—	—	—	—	—	—	—	—	—
Vote 5 - PROPERTIES		—	—	—	—	—	—	—	—	—	—
Vote 6 - LIBRARIES		—	—	—	—	—	—	—	—	—	—
Vote 7 - CEMETARY		—	—	—	—	—	—	—	—	—	—
Vote 8 - PARKS AND RECREATION		—	—	—	—	—	—	—	—	—	—
Vote 9 - DISASTER MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 10 - WASTE MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 11 - PUBLIC WORKS		—	—	—	—	—	—	—	—	—	—
Vote 12 - ELECTRICITY		—	—	—	—	—	—	—	—	—	—
Vote 13 - WATER		—	—	—	—	—	—	—	—	—	—
Vote 14 - WASTE WATER MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 15 - TRAFFIC		—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	7										
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—	—
Vote 2 - COUNCIL		149	—	—	1 200	—	—	—	—	—	—
Vote 3 - CORPORATE AND HUMAN RESOURCES		6 388	1 102	4 445	160	160	160	160	—	—	—
Vote 4 - FINANCE		570	322	323	160	160	160	160	180	200	210
Vote 5 - PROPERTIES		—	—	—	—	—	—	—	—	—	—
Vote 6 - LIBRARIES		81	203	—	610	610	610	610	600	—	—
Vote 7 - CEMETARY		—	—	—	—	—	—	—	—	—	—
Vote 8 - PARKS AND RECREATION		—	—	—	—	—	—	—	—	—	—
Vote 9 - DISASTER MANAGEMENT		—	1	—	—	—	—	—	—	—	—
Vote 10 - WASTE MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 11 - PUBLIC WORKS		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Vote 12 - ELECTRICITY		1 146	1 431	2 858	3 774	3 774	3 774	3 774	4 000	2 000	1 000
Vote 13 - WATER		14 458	1 267	13 169	7 200	7 200	7 200	7 200	—	—	—
Vote 14 - WASTE WATER MANAGEMENT		416	7 972	15 633	4 530	4 230	4 230	4 230	—	—	—
Vote 15 - TRAFFIC		78	2	23	300	—	—	—	—	—	—
Capital single-year expenditure sub-total		32 036	22 595	51 271	27 621	37 071	37 071	37 071	20 631	19 108	18 856
Total Capital Expenditure - Vote		32 036	22 595	51 271	27 621	37 071	37 071	37 071	20 631	19 108	18 856
Capital Expenditure - Standard											
Governance and administration		7 107	1 424	4 768	1 520	320	320	320	180	200	210
Executive and council		149	—	—	1 200	—	—	—	—	—	—
Budget and treasury office		570	322	323	160	160	160	160	180	200	210
Corporate services		6 388	1 102	4 445	160	160	160	160	—	—	—
Community and public safety		159	206	23	910	610	610	610	600	—	—
Community and social services		81	203	—	—	610	610	610	600	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—	—
Public safety		78	3	23	300	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—	—
Economic and environmental services		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Planning and development		—	—	—	—	—	—	—	—	—	—
Road transport		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Environmental protection		—	—	—	—	—	—	—	—	—	—
Trading services		16 020	10 670	31 660	15 504	15 204	15 204	15 204	4 000	2 000	1 000
Electricity		1 146	1 431	2 858	3 774	3 774	3 774	3 774	4 000	2 000	1 000
Water		14 458	1 267	13 169	7 200	7 200	7 200	7 200	—	—	—
Waste water management		416	7 972	15 633	4 530	4 230	4 230	4 230	—	—	—
Waste management		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Standard	3	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856
Funded by:											
National Government		24 491	13 203	36 266	23 587	23 587	23 587	23 587	20 431	19 108	18 856
Provincial Government		56	—	1 642	610	610	610	610	200	—	—
District Municipality		—	—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—	—
Transfers recognised - capital	4	24 547	13 203	37 908	24 197	24 197	24 197	24 197	20 631	19 108	18 856
Public contributions & donations	5	—	—	7 655	—	—	—	—	—	—	—
Borrowing	6	—	—	4 290	1 800	—	—	—	—	—	—
Internally generated funds		7 489	9 392	1 418	1 624	1 624	1 624	1 624	—	—	—
Total Capital Funding	7	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856

For 2016/17 an amount of R 20,631 million has been appropriated for the development of infrastructure which represents 100 per cent of the total capital budget. In the outer years this amount totals to R 19,100 million and R 18,850 million respectively.

1.5.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have NOT been included in Table 61 MBRR SA35. The Technical Manager's contract was not renewed who would have been able to assist with this section.

1.6 Annual Budget Tables - Parent Municipality

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 14 MBRR Table A1 - Budget Summary

NC078 Siyancuma - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Service charges	39 401	41 988	43 298	70 654	53 429	53 429	53 429	57 462	61 570	65 923
Investment revenue	875	307	407	620	90	90	90	100	260	260
Transfers recognised - operational	38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other own revenue	2 666	14 172	14 264	9 535	8 534	8 534	8 534	5 446	5 512	5 899
Total Revenue (excluding capital transfers and contributions)	88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966
Employee costs	35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Remuneration of councillors	3 066	3 388	3 626	3 161	3 480	3 480	3 480	3 341	3 508	3 754
Depreciation & asset impairment	11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Finance charges	2 380	1 673	6 470	467	261	261	261	1 836	1 762	1 859
Materials and bulk purchases	23 306	30 927	35 481	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Transfers and grants	1 488	2 546	1 923	12 942	—	—	—	—	—	—
Other expenditure	29 901	19 862	61 941	46 639	52 189	52 189	52 189	45 488	48 811	52 772
Total Expenditure	107 335	106 129	163 970	166 055	148 652	148 652	148 652	147 828	155 863	171 778
Surplus/(Deficit)	(19 204)	650	(54 540)	(30 822)	(32 395)	(32 395)	(32 395)	(28 411)	(30 995)	(38 812)
Transfers recognised - capital	27 022	24 191	42 076	32 905	24 197	24 197	24 197	20 051	18 908	18 646
Contributions recognised - capital & contributed assets	106	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Capital expenditure & funds sources										
Capital expenditure	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856
Transfers recognised - capital	24 547	13 203	37 908	24 197	24 197	24 197	24 197	20 631	19 108	18 856
Public contributions & donations	—	—	7 655	—	—	—	—	—	—	—
Borrowing	—	—	4 290	1 800	—	—	—	—	—	—
Internally generated funds	7 489	9 392	1 418	1 624	1 624	1 624	1 624	—	—	—
Total sources of capital funds	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856
Financial position										
Total current assets	25 702	51 841	17 688	49 588	49 588	49 588	15 649	17 362	19 008	20 775
Total non current assets	258 009	270 938	307 997	365 608	363 808	363 808	320 055	339 144	342 681	346 325
Total current liabilities	29 305	43 432	56 538	17 889	17 889	17 889	85 590	101 171	118 012	142 680
Total non current liabilities	21 989	22 282	24 546	26 025	24 225	24 225	25 766	25 322	25 949	26 710
Community wealth/Equity	232 418	257 065	244 602	371 281	371 282	371 282	210 384	230 014	217 728	197 710
Cash flows										
Net cash from (used) operating	30 871	26 315	32 040	(25 056)	2 046	2 046	2 046	12 629	9 040	8 863
Net cash from (used) investing	(45 894)	(21 384)	(33 527)	(13 719)	(3 821)	(37 071)	(37 071)	(20 631)	(19 108)	(18 856)
Net cash from (used) financing	(1 649)	(2 658)	(5 807)	3 619	1 819	1 803	183	(1 516)	(1 513)	(1 513)
Cash/cash equivalents at the year end	7 186	9 462	2 168	(25 290)	9 910	(23 356)	(32 674)	(42 192)	(53 773)	(65 279)
Cash backing/surplus reconciliation										
Cash and investments available	7 186	9 462	2 168	1 361	1 361	1 361	(32 674)	(42 191)	(53 772)	(65 278)
Application of cash and investments	3 831	(4 672)	31 221	(32 516)	(43 306)	(43 306)	23 849	29 821	34 310	45 305
Balance - surplus (shortfall)	3 355	14 133	(29 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)
Asset management										
Asset register summary (WDV)	257 431	271 167	359 109	362 185	360 385	360 385	338 991	338 991	342 532	347 180
Depreciation & asset impairment	11 286	9 015	12 189	14 307	14 307	14 307	14 610	14 610	15 177	15 747
Renewal of Existing Assets	32 036	22 595	—	24 891	—	—	—	—	—	—
Repairs and Maintenance	4 490	—	—	6 611	—	—	6 067	6 067	6 365	6 781
Free services										
Cost of Free Basic Services provided	5 489	7 549	8 713	8 987	4 251	4 251	4 251	4 251	10 461	10 984
Revenue cost of free services provided	8 973	18 212	18 400	10 742	10 742	10 742	11 440	11 440	12 012	12 853
Households below minimum service level										
Water:	2	—	—	2	2	—	—	—	—	—
Sanitation/sewerage:	3	—	—	2	2	—	—	—	—	—
Energy:	5	—	—	6	6	—	—	—	—	—
Refuse:	—	—	—	3	3	—	—	—	—	—

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is negative over the MTREF
 - b. Capital expenditure is funded by conditional grants , of which
 - Transfers recognised is reflected on the Financial Performance Budget;
 - Internally generated funds are financed from the current operating revenue. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. The municipality has not yet compiled a Funding and Reserves Policy. The National Treasury MFIP Advisor is currently in the process of drafting the Policy at no expense and will be finalised in the new financial year.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 15 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NC078 Siyancuma - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		75 858	60 232	59 201	46 898	45 039	45 039	55 749	57 714	61 083
Executive and council		68 920	—	—	2 133	2 133	2 133	2 645	2 774	2 911
Budget and treasury office		6 938	48 668	51 201	44 213	42 377	42 377	51 619	53 153	56 263
Corporate services		—	11 564	8 000	552	528	528	1 485	1 787	1 909
<i>Community and public safety</i>		—	2 628	4 883	41	1 299	1 299	4 120	4 187	4 480
Community and social services		—	1 413	856	41	1 299	1 299	240	35	38
Sport and recreation		—	224	82	—	—	—	—	—	—
Public safety		—	991	3 945	—	—	—	3 880	4 152	4 442
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		—	7 109	12 026	25 548	17 448	17 448	16 851	16 908	17 646
Planning and development		—	—	—	—	—	—	—	—	—
Road transport		—	7 109	12 026	25 548	17 448	17 448	16 851	16 908	17 646
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		39 400	61 002	75 397	95 652	76 668	76 668	62 748	64 968	68 402
Electricity		20 576	26 175	28 022	48 742	39 703	39 703	43 299	44 146	46 123
Water		9 426	20 587	27 506	23 998	16 912	16 912	13 634	14 448	15 459
Waste water management		5 096	10 765	15 925	13 881	13 881	13 881	2 951	3 234	3 460
Waste management		4 302	3 475	3 944	9 031	6 172	6 172	2 864	3 141	3 361
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	2	115 258	130 971	151 507	168 138	140 453	140 453	139 468	143 777	151 611
Expenditure - Standard										
<i>Governance and administration</i>		107 335	41 743	93 119	65 399	64 717	64 717	62 339	66 326	71 539
Executive and council		107 335	5 059	5 081	8 486	7 878	7 878	7 114	7 466	7 989
Budget and treasury office		—	22 671	34 270	36 036	36 701	36 701	34 711	37 304	40 445
Corporate services		—	14 013	53 768	20 877	20 138	20 138	20 514	21 556	23 105
<i>Community and public safety</i>		—	5 491	6 564	6 742	4 103	4 103	7 880	8 193	8 777
Community and social services		—	2 350	2 457	3 361	2 760	2 760	2 846	2 895	3 097
Sport and recreation		—	1 588	1 400	2 138	210	210	1 229	1 301	1 433
Public safety		—	1 329	2 452	710	696	696	3 805	3 997	4 248
Housing		—	—	—	—	—	—	—	—	—
Health		—	224	255	533	437	437	—	—	—
<i>Economic and environmental services</i>		—	10 780	13 308	17 121	15 615	15 615	11 434	11 759	12 020
Planning and development		—	—	—	—	—	—	—	—	—
Road transport		—	10 780	13 308	17 121	15 615	15 615	11 434	11 759	12 020
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		—	48 114	50 978	76 793	64 218	64 218	66 174	69 586	79 442
Electricity		—	33 305	37 587	42 217	40 164	40 164	44 836	47 136	55 421
Water		—	5 332	4 795	9 853	8 286	8 286	9 985	10 529	11 269
Waste water management		—	6 906	6 213	10 694	6 763	6 763	8 815	9 277	9 922
Waste management		—	2 571	2 383	14 029	9 005	9 005	2 539	2 644	2 830
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Expenditure - Standard	3	107 335	106 128	163 969	166 055	148 652	148 652	147 828	155 863	171 779
Surplus/(Deficit) for the year		7 923	24 843	(12 462)	2 084	(8 199)	(8 199)	(8 359)	(12 087)	(20 168)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government'

Table 16 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC078 Siyancuma - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 2 - COUNCIL		–	–	–	2 133	2 133	2 133	2 645	2 774	2 911
Vote 3 - CORPORATE AND HUMAN RESOURCES		324	11 451	7 912	217	180	180	216	231	247
Vote 4 - FINANCE		47 291	48 550	51 141	44 249	42 403	42 403	51 444	52 966	56 063
Vote 5 - PROPERTIES		171	239	147	299	323	323	1 269	1 556	1 661
Vote 6 - LIBRARIES		446	1 374	826	0	1 258	1 258	200	–	–
Vote 7 - CEMETARY		29	39	30	41	41	41	40	35	38
Vote 8 - PARKS AND RECREATION		277	224	82	–	–	–	–	–	–
Vote 9 - DISASTER MANAGEMENT		–	–	–	–	–	–	–	–	–
Vote 10 - WASTE MANAGEMENT		4 897	3 475	3 337	9 031	6 172	6 172	2 864	3 141	3 361
Vote 11 - PUBLIC WORKS		455	7 109	12 027	17 587	10 487	10 487	16 851	16 908	17 646
Vote 12 - ELECTRICITY		22 833	26 068	27 906	48 742	41 103	41 103	43 299	44 146	46 123
Vote 13 - WATER		32 237	20 617	27 540	23 998	26 912	26 912	13 809	14 635	15 659
Vote 14 - WASTE WATER MANAGEMENT		5 801	10 848	16 613	13 881	13 881	13 881	2 951	3 234	3 460
Vote 15 - TRAFFIC		50	984	3 945	7 961	6 961	6 961	3 880	4 152	4 442
Total Revenue by Vote	2	114 810	130 978	151 506	168 138	151 854	151 854	139 468	143 776	151 612
Expenditure by Vote to be appropriated	1									
Vote 1 - MUNICIPAL MANAGER		2 809	1 727	2 042	2 082	1 878	1 878	1 895	1 990	2 129
Vote 2 - COUNCIL		4 872	5 053	5 081	6 404	6 000	6 000	5 219	5 476	5 859
Vote 3 - CORPORATE AND HUMAN RESOURCES		23 796	12 112	51 579	16 334	14 428	14 428	16 547	17 379	18 594
Vote 4 - FINANCE		18 952	22 246	28 541	36 036	36 701	36 701	34 711	37 304	40 445
Vote 5 - PROPERTIES		1 015	1 051	4 150	4 543	4 575	4 575	3 967	4 177	4 512
Vote 6 - LIBRARIES		1 637	1 821	1 805	2 496	1 818	1 818	2 185	2 202	2 357
Vote 7 - CEMETARY		369	552	675	864	942	942	661	693	740
Vote 8 - PARKS AND RECREATION		1 991	1 804	1 605	2 138	1 345	1 345	1 229	1 301	1 433
Vote 9 - DISASTER MANAGEMENT		428	545	642	1 243	1 133	1 133	1 088	1 144	1 225
Vote 10 - WASTE MANAGEMENT		2 776	2 571	6 536	14 029	9 005	9 005	2 539	2 644	2 830
Vote 11 - PUBLIC WORKS		8 298	10 785	10 976	13 763	12 830	12 830	11 434	11 759	12 020
Vote 12 - ELECTRICITY		26 893	32 566	36 718	42 217	40 164	40 164	44 836	47 136	55 421
Vote 13 - WATER		3 409	5 542	5 179	9 853	8 286	8 286	9 985	10 529	11 269
Vote 14 - WASTE WATER MANAGEMENT		6 402	7 030	6 351	10 694	6 763	6 763	8 815	9 277	9 922
Vote 15 - TRAFFIC		649	1 022	2 090	3 358	2 785	2 785	2 717	2 853	3 022
Total Expenditure by Vote	2	104 298	106 426	163 969	166 055	148 652	148 652	147 828	155 863	171 778
Surplus/(Deficit) for the year	2	10 513	24 552	(12 463)	2 083	3 202	3 202	(8 360)	(12 087)	(20 166)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality.

The following table is an analysis of the surplus or deficit for the electricity and water trading services.

Table 17 Surplus/(Deficit) calculations for the trading services

Vote Descrip Ref R thousand	2012/13	2013/14	2014/15	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote									
Vote 12 - ELECTRICITY	22 833	26 068	27 906	48 742	41 103	41 103	43 299	44 146	46 123
Vote 13 - WATER	32 237	20 617	27 540	23 998	26 912	26 912	13 809	14 635	15 659
Total Revenue by Vote	55 070	46 685	55 446	72 739	68 016	68 016	57 108	58 781	61 782
Expenditure by Vote									
Vote 12 - ELECTRICITY	26 893	32 566	36 718	42 217	40 164	40 164	44 836	47 136	55 421
Vote 13 - WATER	3 409	5 542	5 179	9 853	8 286	8 286	9 985	10 529	11 269
	30 302	38 107	41 897	52 070	48 450	48 450	54 820	57 665	66 690
	24 768	8 578	13 550	20 669	19 566	19 566	2 287	1 116	(4 907)

2. 2016/17 to 3.7 per cent by 2017/18, but deteriorate again to 14.1% in 2018/19. This is primarily as a result of the high increases in Eskom bulk purchases and the tariff setting policy of the municipality to buffer the impact of these increases to consumers.
3. The surplus on the water account remains relatively constant over the MTREF translating into a surplus of 93.6 per cent, 93.8 per cent and 93.8 per cent for each of the respective The electricity trading deficit is improving from the 2016/17 budget from 14 per cent in financial years.

Table 18 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

North Otago Council - Table A4 Budgeted Financial Performance (Revenue and Expenditure)											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	20 576	24 518	24 855	42 090	34 810	34 810	34 810	37 868	40 592	43 478
Service charges - water revenue	2	9 426	9 856	10 887	16 108	9 022	9 022	9 022	13 609	14 421	15 430
Service charges - sanitation revenue	2	5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Service charges - refuse revenue	2	4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Service charges - other		-	-	-	-	(0)	(0)	(0)	175	187	200
Rental of facilities and equipment		416	485	266	461	347	347	347	248	307	327
Interest earned - external investments		875	307	407	620	90	90	90	100	260	260
Interest earned - outstanding debtors		561	630	682	629	629	629	629	700	400	430
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		48	87	2 966	6 800	5 800	5 800	5 800	3 000	3 210	3 435
Licences and permits		13	914	986	450	450	450	450	80	86	92
Agency services		755	-	(0)	758	711	711	711	800	856	916
Transfers recognised - operational		38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other revenue	2	872	11 919	8 994	438	597	597	597	618	653	700
Gains on disposal of PPE		-	137	369	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966
Expenditure By Type											
Employee related costs	2	35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Remuneration of councillors		3 066	3 388	3 626	3 161	3 480	3 480	3 480	3 341	3 508	3 754
Debt impairment	3	11 158	91	36 010	11 159	11 159	11 159	11 159	13 864	14 793	15 838
Depreciation & asset impairment	2	11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Finance charges		2 380	1 673	6 470	467	261	261	261	1 836	1 762	1 859
Bulk purchases	2	23 306	28 721	33 296	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Other materials	8	-	2 206	2 185	-	-	-	-	-	-	-
Contracted services		-	-	-	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Transfers and grants		1 488	2 546	1 923	12 942	-	-	-	-	-	-
Other expenditure	4, 5	18 653	19 694	23 467	33 680	38 531	38 531	38 531	29 824	32 128	34 912
Loss on disposal of PPE		90	77	2 464	-	-	-	-	-	-	-
Total Expenditure		107 335	106 129	163 970	166 055	148 652	148 652	148 652	147 828	155 863	171 778
Surplus/(Deficit)											
Transfers recognised - capital		(19 204)	650	(54 540)	(30 822)	(32 395)	(32 395)	(32 395)	(28 411)	(30 995)	(38 812)
Contributions recognised - capital	6	27 022	24 191	42 076	32 905	24 197	24 197	24 197	20 051	18 908	18 646
Contributed assets		-	-	-	-	-	-	-	-	-	-
		106	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		7 924	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R 1119 417 million in 2016/17 and increase to R 132 966 million by 2018/19.
2. Revenue to be generated from property rates is R 11,016 million in the 2016/17 financial year and increases to R 12,638 million by 2018/19 which represents 7,8 per cent of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at 7.9 per cent, 7.99 per cent and 7.8 per cent for each of the respective financial years over the MTREF.

3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 57,462 million for the 2016/17 financial year and increasing to R 65,923 million by 2018/19. This growth can mainly be attributed to the increases in tariffs over the MTREF.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that the grants receipts from national government are growing rapidly over the MTREF.
5. Bulk purchases have significantly increased over the 2016/17 to 2018/19 period escalating from R 36,900 million to R 46,426 million. These increases can be attributed to the substantial increase in the cost of bulk Electricity from Eskom .
6. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Figure 2 Expenditure by Major Type

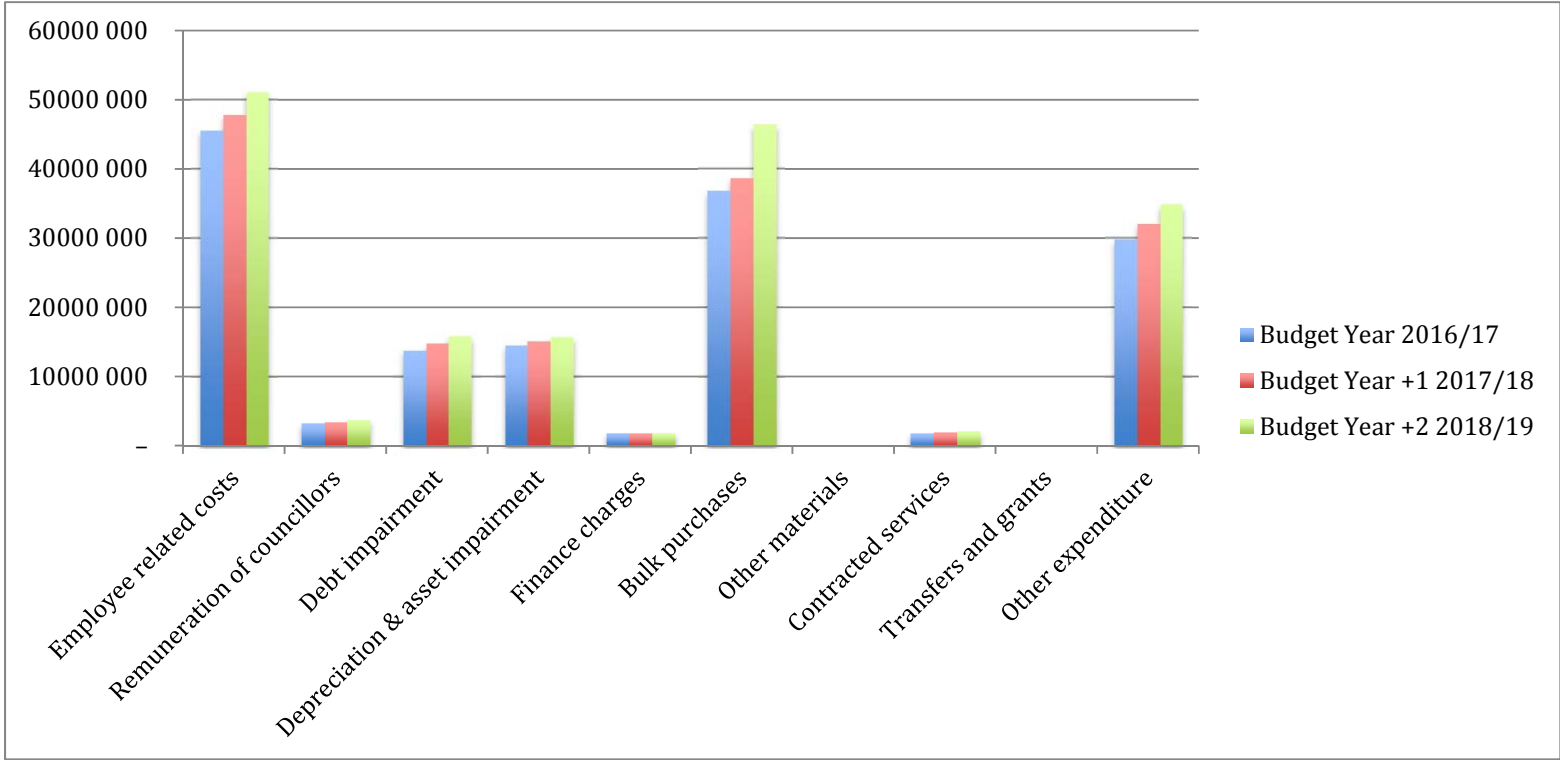


Table 19 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

NC078 Siyancuma - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—	—
Vote 2 - COUNCIL		—	—	—	—	—	—	—	—	—	—
Vote 3 - CORPORATE AND HUMAN RESOURCES		—	—	—	—	—	—	—	—	—	—
Vote 4 - FINANCE		—	—	—	—	—	—	—	—	—	—
Vote 5 - PROPERTIES		—	—	—	—	—	—	—	—	—	—
Vote 6 - LIBRARIES		—	—	—	—	—	—	—	—	—	—
Vote 7 - CEMETARY		—	—	—	—	—	—	—	—	—	—
Vote 8 - PARKS AND RECREATION		—	—	—	—	—	—	—	—	—	—
Vote 9 - DISASTER MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 10 - WASTE MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 11 - PUBLIC WORKS		—	—	—	—	—	—	—	—	—	—
Vote 12 - ELECTRICITY		—	—	—	—	—	—	—	—	—	—
Vote 13 - WATER		—	—	—	—	—	—	—	—	—	—
Vote 14 - WASTE WATER MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 15 - TRAFFIC		—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	7										
Single-year expenditure - to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—	—
Vote 2 - COUNCIL		149	—	—	1 200	—	—	—	—	—	—
Vote 3 - CORPORATE AND HUMAN RESOURCES		6 388	1 102	4 445	160	160	160	160	—	—	—
Vote 4 - FINANCE		570	322	323	160	160	160	160	180	200	210
Vote 5 - PROPERTIES		—	—	—	—	—	—	—	—	—	—
Vote 6 - LIBRARIES		81	203	—	610	610	610	610	600	—	—
Vote 7 - CEMETARY		—	—	—	—	—	—	—	—	—	—
Vote 8 - PARKS AND RECREATION		—	—	—	—	—	—	—	—	—	—
Vote 9 - DISASTER MANAGEMENT		—	1	—	—	—	—	—	—	—	—
Vote 10 - WASTE MANAGEMENT		—	—	—	—	—	—	—	—	—	—
Vote 11 - PUBLIC WORKS		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Vote 12 - ELECTRICITY		1 146	1 431	2 858	3 774	5 024	5 024	5 024	4 000	2 000	1 000
Vote 13 - WATER		14 458	1 267	13 169	7 200	17 200	17 200	17 200	—	—	—
Vote 14 - WASTE WATER MANAGEMENT		416	7 972	15 633	4 530	4 230	4 230	4 230	—	—	—
Vote 15 - TRAFFIC		78	2	23	300	—	—	—	—	—	—
Capital single-year expenditure sub-total		32 036	22 595	51 271	27 621	37 071	37 071	37 071	20 631	19 108	18 856
Total Capital Expenditure - Vote		32 036	22 595	51 271	27 621	37 071	37 071	37 071	20 631	19 108	18 856
Capital Expenditure - Standard											
Governance and administration		7 107	1 424	4 768	1 520	320	320	320	180	200	210
Executive and council		149	—	—	1 200	—	—	—	—	—	—
Budget and treasury office		570	322	323	160	160	160	160	180	200	210
Corporate services		6 388	1 102	4 445	160	160	160	160	—	—	—
Community and public safety		159	206	23	910	610	610	610	600	—	—
Community and social services		81	203	—	—	610	610	610	600	—	—
Sport and recreation		—	—	—	610	—	—	—	—	—	—
Public safety		78	3	23	300	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—	—
Economic and environmental services		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Planning and development		—	—	—	—	—	—	—	—	—	—
Road transport		8 750	10 295	14 820	9 687	9 687	9 687	9 687	15 851	16 908	17 646
Environmental protection		—	—	—	—	—	—	—	—	—	—
Trading services		16 020	10 670	31 660	15 504	15 204	15 204	15 204	4 000	2 000	1 000
Electricity		1 146	1 431	2 858	3 774	3 774	3 774	3 774	4 000	2 000	1 000
Water		14 458	1 267	13 169	7 200	7 200	7 200	7 200	—	—	—
Waste water management		416	7 972	15 633	4 530	4 230	4 230	4 230	—	—	—
Waste management		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Standard	3	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856
Funded by:											
National Government		24 491	13 203	36 266	23 587	23 587	23 587	23 587	20 431	19 108	18 856
Provincial Government		56	—	1 642	610	610	610	610	200	—	—
District Municipality		—	—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—	—
Transfers recognised - capital	4	24 547	13 203	37 908	24 197	24 197	24 197	24 197	20 631	19 108	18 856
Public contributions & donations	5	—	—	7 655	—	—	—	—	—	—	—
Borrowing	6	—	—	4 290	1 800	—	—	—	—	—	—
Internally generated funds	7	7 489	9 392	1 418	1 624	1 624	1 624	1 624	—	—	—
Total Capital Funding	7	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The capital programme is funded from capital and provincial grants and transfers, and internally generated funds from current year surpluses. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

Figure 3 Capital Infrastructure Program

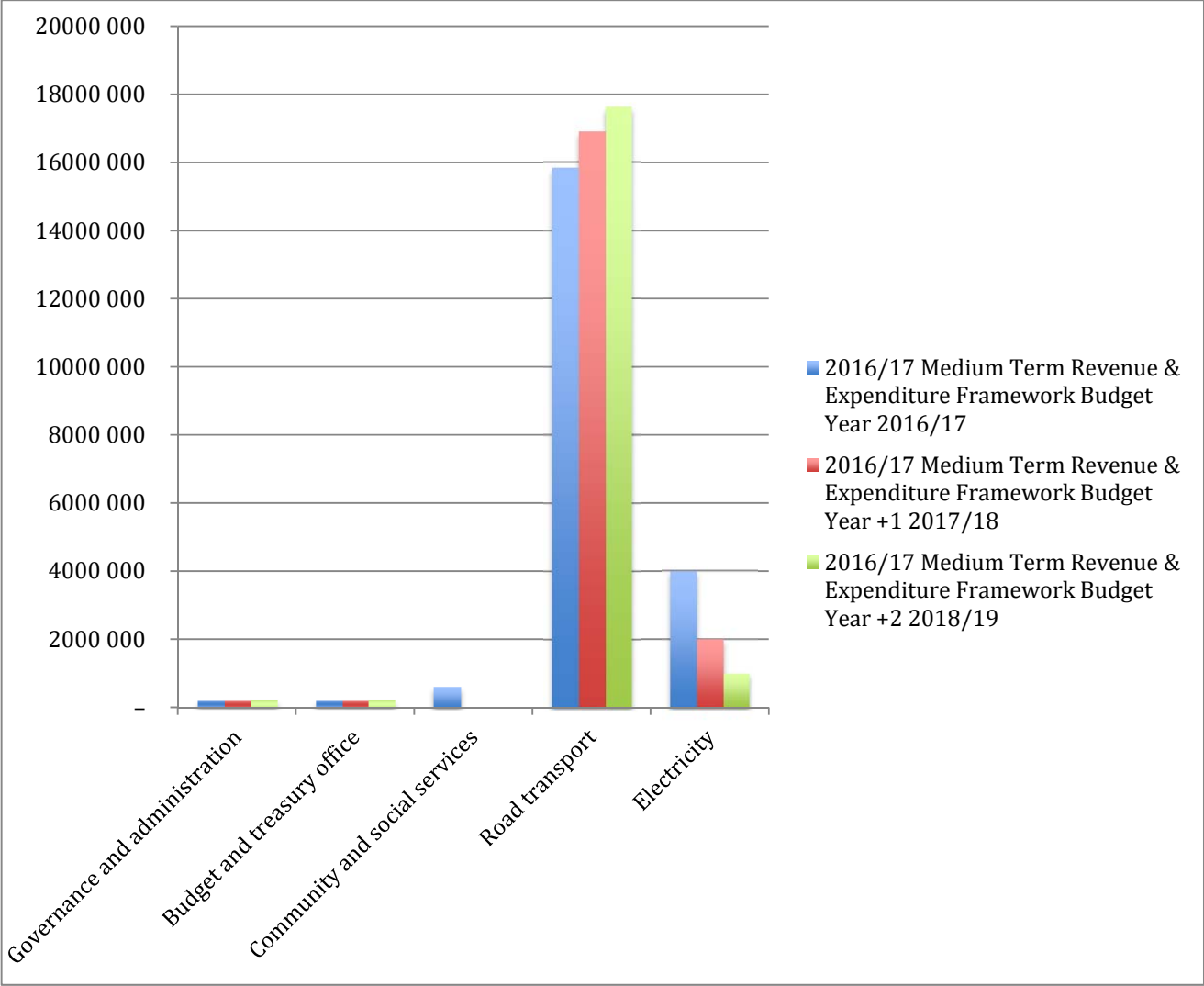


Table 20 MBRR Table A6 - Budgeted Financial Position

NC078 Siyancuma - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Current assets											
Cash		1 685	956	1 778	1 300	1 300	1 300				
Call investment deposits	1	5 500	8 506	390	61	61	61		—	—	—
Consumer debtors	1	9 508	32 912	5 896	42 754	42 754	42 754	7 125	8 662	10 305	12 065
Other debtors		8 586	8 959	9 150	4 917	4 917	4 917	8 000	8 200	8 200	8 200
Current portion of long-term receivables											
Inventory	2	422	508	474	556	556	556	524	500	503	510
Total current assets		25 702	51 841	17 688	49 588	49 588	49 588	15 649	17 362	19 008	20 775
Non current assets											
Long-term receivables							—	—	—	—	—
Investments						—	—	—			
Investment property		9 982	9 982	9 982	9 982	9 982	9 982	9 982	9 981	9 982	9 982
Investment in Associate							—	—			
Property, plant and equipment	3	246 910	259 685	296 789	351 087	349 287	349 287	309 014	328 254	331 985	335 804
Agricultural							—	—			
Biological		521	481	523	481	481	481	481	450	400	380
Intangible		458	634	544	634	634	634	424	304	164	14
Other non-current assets		138	156	159	3 424	3 424	3 424	154	155	150	145
Total non current assets		258 009	270 938	307 997	365 608	363 808	363 808	320 055	339 144	342 681	346 325
TOTAL ASSETS		283 711	322 779	325 685	415 196	413 396	413 396	335 704	356 506	361 689	367 100
LIABILITIES											
Current liabilities											
Bank overdraft	1						—	32 674	42 191	53 772	65 278
Borrowing	4	2 140	2 330	1 264	710	710	710	1 521	1 523	1 523	1 523
Consumer deposits		188	165	181	184	184	184	184	190	200	210
Trade and other payables	4	21 504	34 617	44 336	8 579	8 579	8 579	40 311	46 161	50 856	63 425
Provisions		5 474	6 320	10 757	8 416	8 416	8 416	10 900	11 105	11 660	12 243
Total current liabilities		29 305	43 432	56 538	17 889	17 889	17 889	85 590	101 171	118 012	142 680
Non current liabilities											
Borrowing		6 371	4 693	4 827	2 840	1 040	1 040	4 047	3 046	1 523	—
Provisions		15 618	17 588	19 719	23 185	23 185	23 185	21 719	22 276	24 426	26 710
Total non current liabilities		21 989	22 282	24 546	26 025	24 225	24 225	25 766	25 322	25 949	26 710
TOTAL LIABILITIES		51 294	65 714	81 084	43 914	42 114	42 114	111 356	126 493	143 961	169 390
NET ASSETS	5	232 418	257 065	244 602	371 281	371 282	371 282	224 348	230 013	217 728	197 711
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		232 418	257 065	244 602	371 281	371 282	371 282	210 384	230 014	217 728	197 710
Reserves	4	—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	5	232 418	257 065	244 602	371 281	371 282	371 282	210 384	230 014	217 728	197 710

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 21 MBRR Table A7 - Budgeted Cash Flow Statement

NC078 Siyancuma - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		6 938	7 621	8 530	9 781	10 426	10 426	10 426	8 813	9 445	10 106
Service charges		39 363	41 988	43 298	59 487	60 540	60 540	60 540	52 246	55 981	59 939
Other revenue		1 563	10 109	5 460	8 907	7 823	7 823	7 823	10 579	5 112	5 469
Government - operating	1	38 250	42 691	42 931	43 280	35 401	35 401	35 401	45 393	45 720	48 250
Government - capital	1	27 022	24 192	42 076	32 295	23 587	23 587	23 587	20 051	18 908	18 646
Interest		1 436	937	1 089	1 249	719	719	719	660	580	604
Dividends							-	-	-	-	-
Payments											
Suppliers and employees		(80 131)	(97 003)	(102 951)	(154 154)	(69 832)	(69 832)	(69 832)	(123 914)	(125 456)	(132 852)
Finance charges		(2 083)	(1 674)	(6 470)	(11 159)	(33 500)	(33 500)	(33 500)	(1 199)	(1 250)	(1 300)
Transfers and Grants	1	(1 488)	(2 546)	(1 923)	(14 742)	(33 118)	(33 118)	(33 118)	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		30 871	26 315	32 040	(25 056)	2 046	2 046	2 046	12 629	9 040	8 863
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		1 751	331	3 668					-	-	-
Decrease (Increase) in non-current debtors		(20 402)		1 555	22 000	22 000	-	-	-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments							-	-	-	-	-
Payments											
Capital assets		(27 242)	(21 715)	(38 750)	(35 719)	(25 821)	(37 071)	(37 071)	(20 631)	(19 108)	(18 856)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(45 894)	(21 384)	(33 527)	(13 719)	(3 821)	(37 071)	(37 071)	(20 631)	(19 108)	(18 856)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans							-	-	-	-	-
Borrowing long term/refinancing		1 638			4 500	2 700	2 700	2 700	-	-	-
Increase (decrease) in consumer deposits		12	(23)	16	19	19	3	3	6	10	10
Payments											
Repayment of borrowing		(3 299)	(2 635)	(5 823)	(900)	(900)	(900)	(2 520)	(1 522)	(1 523)	(1 523)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 649)	(2 658)	(5 807)	3 619	1 819	1 803	183	(1 516)	(1 513)	(1 513)
NET INCREASE/ (DECREASE) IN CASH HELD		(16 672)	2 273	(7 294)	(35 156)	44	(33 222)	(34 842)	(9 518)	(11 581)	(11 505)
Cash/cash equivalents at the year begin:	2	23 858	7 186	9 462	9 866	9 866	9 866	2 168	(32 674)	(42 192)	(53 773)
Cash/cash equivalents at the year end:	2	7 186	9 462	2 168	(25 290)	9 910	(23 356)	(32 674)	(42 192)	(53 773)	(65 279)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The cash flow of the municipality fluctuate significantly over the 2016/17 to 2018/19 period due to a net decrease in cash since the 2011/12 financial year.
4. As part of the 2016/17 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.
5. In addition the Municipality undertook an extensive debt collection drive.
6. A negative cash flow of R42 thousand was budgeted for the 2016/17 financial year but the planning for the next two financial years should be adjusted to enable a positive cash flow.

Table 22 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

NC078 Siyancuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available												
Cash/cash equivalents at the year end	1		7 186	9 462	2 168	(25 290)	9 910	(23 356)	(32 674)	(42 192)	(53 773)	(65 279)
Other current investments > 90 days			–	–	(0)	26 651	(8 549)	24 717	–	1	1	1
Non current assets - Investments	1		–	–	–	–	–	–	–	–	–	–
Cash and investments available:			7 186	9 462	2 168	1 361	1 361	1 361	(32 674)	(42 191)	(53 772)	(65 278)
Application of cash and investments												
Unspent conditional transfers			10 119	17 106	910	–	–	–	–	–	–	–
Unspent borrowing			–	–	–	–	–	–	–	–	–	–
Statutory requirements	2											
Other working capital requirements	3		(6 288)	(21 778)	30 311	(32 516)	(43 306)	(43 306)	23 849	29 821	34 310	45 305
Other provisions												
Long term investments committed	4		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5		–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:			3 831	(4 672)	31 221	(32 516)	(43 306)	(43 306)	23 849	29 821	34 310	45 305
Surplus(shortfall)			3 355	14 133	(29 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The municipality maintains a positive cash flow for the MTREF period

Table 23 MBRR Table A9 - Asset Management

NC078 Siyancuma - Table A9 Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	—	—	51 271	2 730	25 821	25 821	20 631	19 108	18 856
Infrastructure - Road transport		—	—	14 818	—	9 687	9 687	15 851	16 908	17 646
Infrastructure - Electricity		—	—	2 715	—	3 774	3 774	4 000	2 000	1 000
Infrastructure - Water		—	—	13 169	—	7 200	7 200	—	—	—
Infrastructure - Sanitation		—	—	14 475	—	4 230	4 230	—	—	—
Infrastructure - Other		—	—	—	—	—	—	180	200	210
Infrastructure		—	—	45 176	—	24 891	24 891	20 031	19 108	18 856
Community		—	—	—	—	—	—	600	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets	6	—	—	6 095	2 730	930	930	—	—	—
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Total Renewal of Existing Assets										
Infrastructure - Road transport	2	32 036	22 595	—	24 891	—	—	—	—	—
Infrastructure - Electricity		8 485	10 287	—	9 687	—	—	—	—	—
Infrastructure - Electricity		1 146	1 409	—	3 774	—	—	—	—	—
Infrastructure - Water		14 458	1 261	—	7 200	—	—	—	—	—
Infrastructure - Sanitation		377	7 972	—	4 230	—	—	—	—	—
Infrastructure - Other		—	—	—	—	—	—	—	—	—
Infrastructure		24 466	20 930	—	24 891	—	—	—	—	—
Community		158	80	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets	6	7 411	1 585	—	—	—	—	—	—	—
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Total Capital Expenditure										
Infrastructure - Road transport	4	8 485	10 287	14 818	9 687	9 687	9 687	15 851	16 908	17 646
Infrastructure - Electricity		1 146	1 409	2 715	3 774	3 774	3 774	4 000	2 000	1 000
Infrastructure - Water		14 458	1 261	13 169	7 200	7 200	7 200	—	—	—
Infrastructure - Sanitation		377	7 972	14 475	4 230	4 230	4 230	—	—	—
Infrastructure - Other		—	—	—	—	—	—	180	200	210
Infrastructure		24 466	20 930	45 176	24 891	24 891	24 891	20 031	19 108	18 856
Community		158	80	—	—	—	—	600	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets	6	7 411	1 585	6 095	2 730	930	930	—	—	—
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
TOTAL CAPITAL EXPENDITURE - Asset class										
	2	32 036	22 595	51 271	27 621	25 821	25 821	20 631	19 108	18 856
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5	33 748	23 430	70 167	45 291	45 291	45 291	41 318	48 449	47 949
Infrastructure - Electricity		32 591	31 641	37 356	61 163	61 163	61 163	61 163	61 163	61 863
Infrastructure - Water		62 605	46 446	86 181	86 357	86 357	86 357	86 357	87 357	90 357
Infrastructure - Sanitation		36 297	35 237	70 265	68 114	68 114	68 114	68 114	66 114	66 114
Infrastructure - Other		1 740	44 872	—	86 739	86 739	86 739	919	939	549
Infrastructure		166 982	181 627	263 968	347 664	347 664	347 664	257 871	264 022	266 832
Community		66 894	66 680	22 505	—	—	—	22 070	21 670	21 170
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		9 982	9 982	9 982	9 982	9 982	9 982	9 982	9 982	9 982
Other assets		12 594	11 763	61 587	3 424	1 624	1 624	48 314	46 294	48 802
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		521	481	523	481	481	481	450	400	380
Intangibles		458	634	544	634	634	634	304	164	14
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)										
	5	257 431	271 167	359 109	362 185	360 385	360 385	338 991	342 532	347 180
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		11 286	9 015	12 189	14 307	14 307	14 307	14 610	15 177	15 747
Repairs and Maintenance by Asset Class	3	4 490	—	—	6 611	—	—	6 067	6 365	6 781
Infrastructure - Road transport		1 296	—	—	1 560	—	—	1 300	1 365	1 461
Infrastructure - Electricity		840	—	—	720	—	—	720	756	809
Infrastructure - Water		628	—	—	1 426	—	—	1 430	1 502	1 607
Infrastructure - Sanitation		560	—	—	837	—	—	880	929	994
Infrastructure - Other		219	—	—	593	—	—	483	507	543
Infrastructure		3 543	—	—	5 136	—	—	4 813	5 059	5 413
Community		393	—	—	1 133	—	—	741	778	803
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets	6, 7	554	—	—	343	—	—	513	528	565
TOTAL EXPENDITURE OTHER ITEMS										
		15 776	9 015	12 189	20 918	14 307	14 307	20 677	21 543	22 528

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. Unfortunately due to the huge backlogs the municipality cannot attend to the renewal of assets yet.

Table 24 MBRR Table A10 - Basic Service Delivery Measurement

NC078 Siyancuma - Table A10 Basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		320	–	–	696	696	–	–	–	–
Piped water inside yard (but not in dwelling)		450	–	–	424	424	–	–	–	–
Using public tap (at least min.service level)	2	720	–	–	1 279	1 279	–	–	–	–
Other water supply (at least min.service level)	4	370	–	–	726	726	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		1 860	–	–	3 125	3 125	–	–	–	–
Using public tap (< min.service level)	3	950	–	–	1 089	1 089	–	–	–	–
Other water supply (< min.service level)	4	350	–	–	242	242	–	–	–	–
No water supply		600	–	–	424	424	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		1 900	–	–	1 755	1 755	–	–	–	–
Total number of households	5	3 760	–	–	4 880	4 880	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		2 372	–	–	1 492	1 492	–	–	–	–
Flush toilet (with septic tank)		788	–	–	1 596	1 596	–	–	–	–
Chemical toilet		466	–	–	238	238	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		3 626	–	–	3 328	3 328	–	–	–	–
Bucket toilet		1 434	–	–	1 735	1 735	–	–	–	–
Other toilet provisions (< min.service level)		1 899	–	–	535	535	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		3 333	–	–	2 270	2 270	–	–	–	–
Total number of households	5	6 959	–	–	5 598	5 598	–	–	–	–
Energy:										
Electricity (at least min.service level)		4 186	–	–	5 808	5 808	–	–	–	–
Electricity - prepaid (min.service level)		296	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		4 472	–	–	5 808	5 808	–	–	–	–
Electricity (< min.service level)		4 758	–	–	4 840	4 840	–	–	–	–
Electricity - prepaid (< min. service level)		723	–	–	1 289	1 289	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		5 481	–	–	6 129	6 129	–	–	–	–
Total number of households	5	9 953	–	–	11 937	11 937	–	–	–	–
Refuse:										
Removed at least once a week		3 583	–	–	4 193	4 193	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		3 583	–	–	4 193	4 193	–	–	–	–
Removed less frequently than once a week		–	–	–	1 452	1 452	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	557	557	–	–	–	–
Other rubbish disposal		–	–	–	660	660	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	2 669	2 669	–	–	–	–
Total number of households	5	3 583	–	–	6 862	6 862	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 027	–	–	2 750	2 750	–	–	–	–
Sanitation (free minimum level service)		2 027	–	–	2 750	2 750	–	–	–	–
Electricity/other energy (50kwh per household per month)		2 027	–	–	1 656	1 656	–	–	–	–
Refuse (removed at least once a week)		2 027	–	–	2 750	2 750	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		1 305	2 610	2 754	1 148	1 392	1 392	1 392	1 217	1 278
Sanitation (free sanitation service to indigent households)		706	2 160	2 456	3 591	–	–	–	3 806	3 997
Electricity/other energy (50kwh per indigent household per month)		2 882	878	1 127	1 389	–	–	–	1 632	1 713
Refuse (removed once a week for indigent households)		596	1 902	2 376	2 859	2 859	2 859	2 859	3 806	3 997
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		5 489	7 549	8 713	8 987	4 251	4 251	4 251	10 461	10 984
Highest level of free service provided per household										
Property rates (R value threshold)		15 000	15 000	15 000	–	–	–	–	–	–
Water (kilolitres per household per month)		6	6	6	6	6	6	–	–	–
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		–	–	–	93	93	93	–	–	–
Electricity (kwh per household per month)		–	–	–	50	50	50	–	–	–
Refuse (average litres per week)		–	–	–	–	–	–	–	–	–
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		8 963	9 794	9 135	1 755	1 755	1 755	979	1 028	1 100
Water (in excess of 6 kilolitres per indigent household per month)		1 305	2 610	2 754	1 148	1 148	1 148	1 217	1 278	1 367
Sanitation (in excess of free sanitation service to indigent households)		706	2 160	2 456	3 591	3 591	3 591	3 806	3 997	4 276
Electricity/other energy (in excess of 50 kwh per indigent household per month)		2 882	878	1 127	1 389	1 389	1 389	1 632	1 713	1 833
Refuse (in excess of one removal a week for indigent households)		4 897	5 377	5 679	2 859	2 859	2 859	3 806	3 997	4 276
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies		–	–	–	–	–	–	–	–	–
Other	6	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		8 973	18 212	18 400	10 742	10 742	10 742	11 440	12 012	12 853

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The Municipality continues to make good progress with the eradication of backlogs although the municipality is entirely dependent on conditional grants to achieve total eradication.

Part 2 – Supporting Documentation

1.7 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor who is responsible for the finances of the municipality.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1.7.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule before 31 August 2015. Key dates applicable to the process were:

- **August 2015** – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2016/17 MTREF;
 - **November 2015** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
 - **to 7 January 2016** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
 - **January 2016** – Multi-year budget proposals are submitted to the Mayoral Committee for endorsement;
 - **28 January 2016** - Council considers the 2015/16 Mid-year Review and Adjustments Budget;
 - **February 2016**- Recommendations of the Mayoral Committee are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2016/17 MTREF is revised accordingly;
 - **31 March 2016** - Tabling in Council of the draft 2016/17 IDP and 2016/17 MTREF for public consultation;
 - **April 2016** – Public consultation;
 - **6 May 2016**- Closing date for written comments;
 - **6 to 21 May 2016** – finalisation of the 2016/17 IDP and 2016/17 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
 - **29 May 2016** - Tabling of the 2016/17MTREF before Council for consideration and approval.
- There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

1.7.2 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
 - Public participation process;
 - Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

1.7.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2016/17 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2016/17 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
 - Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
 - Performance trends
- The approved 2014/15 adjustments budget and performance against the SDBIP
 - Cash Flow Management Strategy
 - Debtor payment levels
 - Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
 - Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Budget Circulars has been taken into consideration in the planning and prioritisation process.

1.7.4 Community Consultation

The draft 2016/17 MTREF as tabled before Council on 31 March 2016 for community consultation was published, and hard copies were made available at customer care offices, municipal notice boards and various offices.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make comments.

Ward Committees were utilised to facilitate the community consultation process from 17 to 29 May 2016, and included nine public briefing sessions. The applicable dates and venues were published in all the local newspapers and on average attendance of 80 was recorded per meeting. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisation

1.8 Overview of alignment of annual budget with IDP

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2016/17 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 25 IDP Strategic Objectives

2016/17 Financial Year	2016/17 - MTREF
1. Basic Service Delivery	1. Sewerage Refuse removal Electricity admin, generation and distribution Water storage and distribution Cemetery Main roads Commonage Municipal Buildings Public works Parks and gardens
2. Good Governance and Public Participation	2. Good Governance and Public Participation Executive and Council Corporate Services
3. Municipal Financial Viability	3.1 Rates
	3.2 Budget and Treasury Office
4. Municipal Institutional Development and Transformation	4. Library Health Museums Clinics
5. Local Economic Development	5.1 Fire Service
	5.2 Traffic and licencing
	5.3 Civil Defence

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide Electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide Municipality planning services; and
 - Maintaining the infrastructure of the Municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the Municipality;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Extending waste removal services and ensuring effective Municipality cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS to address crime;
 - Ensuring safe working environments by effective enforcement of building and health regulations;
 - Promote viable, sustainable communities through proper zoning; and
- 3.2 Integrated Social Services for empowered and sustainable communities
 - Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Siyancuma principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
 - Implementing Siyancuma in the revenue management strategy.

5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure Municipality to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 26 MBRR revenue Table SA4 - Reconciliation between the IDP strategic objectives and budget

NC078 Siyancuma - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
To facilitate development and growth of the local economy of the Siyancuma municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development			—	—	—	—	—	—	—	—	—
To expand and grow the Siyancuma Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Viability & Management			47 462	48 789	51 288	43 290	42 725	42 725	52 713	54 521	57 725
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Public Participation			324	11 451	7 912	2 350	2 313	2 313	2 861	3 005	3 158
To promote access to adequate, affordable and well maintained municipal basic services	Basic service delivery			67 968	69 180	88 782	113 239	98 556	98 556	79 774	82 063	86 248
To promote a safe and healthy environment and access to public amenities.	Public safety			801	2 621	4 882	9 260	8 260	8 260	4 120	4 187	4 480
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	116 555	132 040	152 865	168 138	151 854	151 854	139 468	143 776	151 612

Table 27 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

NC078 Siyancuma - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
To facilitate development and growth of the local economy of the Siyancuma municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development			—	—	—	—	—	—	—	—	—
To expand and grow the Siyancuma Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Viability & Management			19 968	23 297	32 691	40 579	41 276	41 276	38 678	41 481	44 957
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Public Participation			31 477	18 891	58 702	24 819	22 306	22 306	23 661	24 845	26 582
To promote access to adequate, affordable and well maintained municipal basic services	Basic service delivery			49 521	59 556	67 119	90 561	77 048	77 048	77 608	81 345	91 462
To promote a safe and healthy environment and access to public amenities.	Public safety			5 075	5 744	6 817	10 095	8 023	8 023	7 881	8 193	8 777
Total Expenditure			1	106 041	107 488	165 329	166 055	148 652	148 652	147 828	155 863	171 778

Table 28 MBRR Table SA6 - Reconciliation between the IDP strategic objectives.

NC078 Siyancuma - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Woods Siyancuma – Supporting Table C&D Reconciliation of 2015 Strategic Objectives and Budget (Capital Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousand													
To facilitate development and growth of the local economy of theSiyancuma municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development	A											
To expand and grow the Siyancuma Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Viability & Management	B		570	322		160	160	160				
To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance & Public Participation	C		6 519	1 309	6 095	2 270	2 270	2 270				
To promote access to adequate, affordable and well maintained municipal basic services	Basic service delivery	D		24 947	20 964	45 201	25 191	23 391	23 391	33 851	18 908	18 996	
To promote a safe and healthy environment and access to public amenities.	Public safety	E											
Allocations to other priorities				3									
Total Capital Expenditure				1	32 036	22 595	51 296	27 621	25 821	25 821	33 851	18 908	18 996

1.9 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

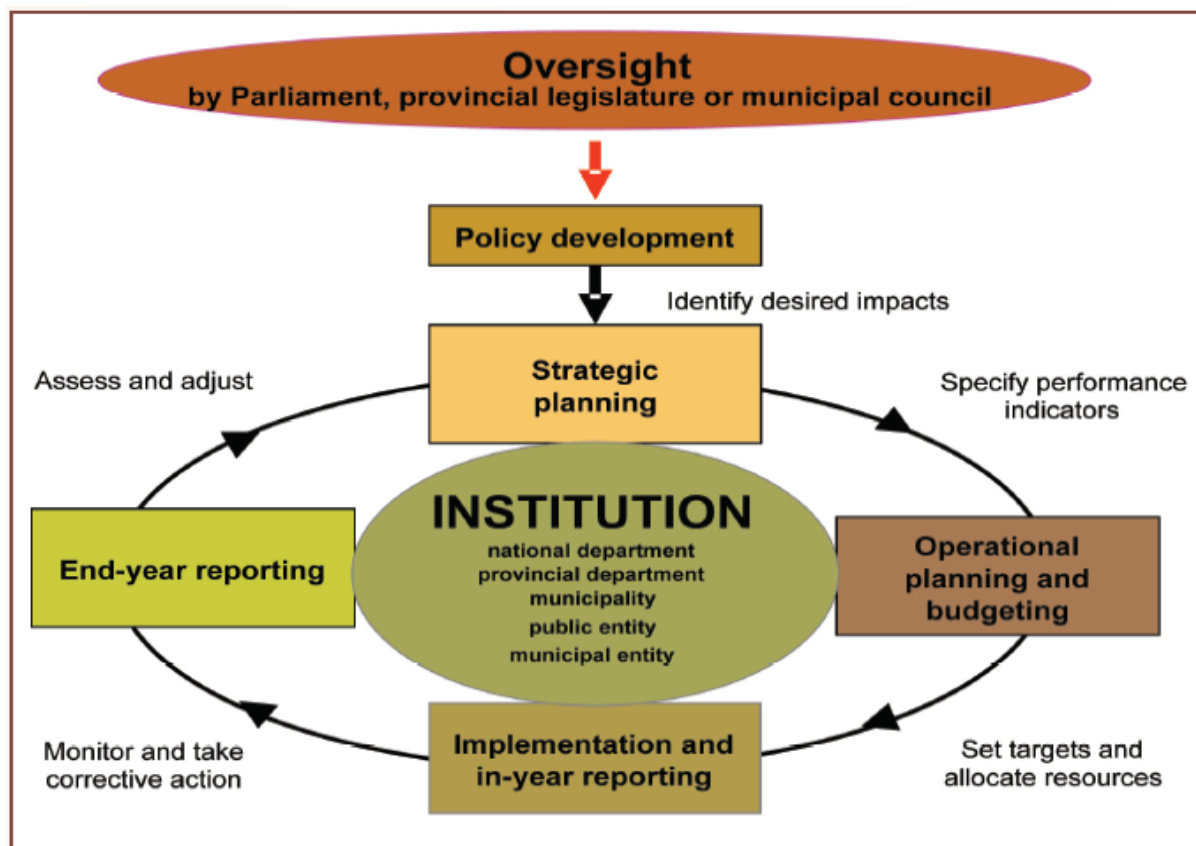


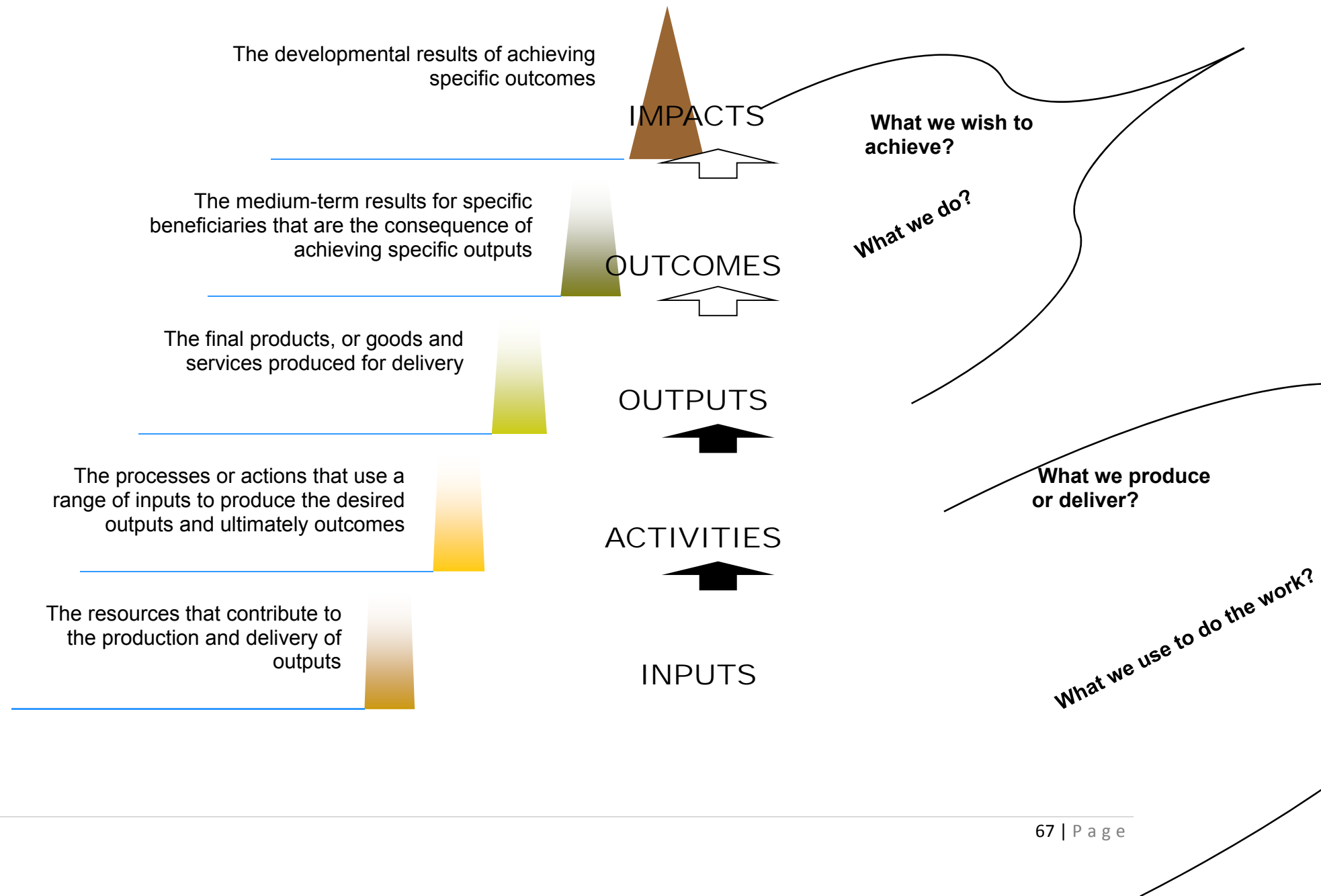
Figure 4 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
 - Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);

- Reporting (what information, to whom, from whom, how often and for what purpose); and
 - Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:



The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 29 MBRR Table SA7 - Measurable performance objectives

NC078 Siyancuma - Supporting Table SA7 Measurable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year #1 2017/18	Budget Year #2 2018/19
To facilitate development and growth of the local economy of the Siyancuma municipal area with the intent to create opportunities that will reduce poverty and unemployment.										
Function -										
To promote a transparent and caring Municipality that is accountable to its citizens										
Municipal Manager										
Sub-function 1 -										
Sub-function 2 -										
Sub-function 3 - (name)										
<i>Insert measure's description</i>										
Council										
Sub-function 1 -										
Sub-function 2 -										
Corporate Services										
Sub-function 1 -										
Sub-function 2 -										
To expand and grow the Siyancuma Municipality's internally Generated Funds (IGF) with the intent to promote long-term financial stability										
Budget & Treasury										
Sub-function 1 -										
Sub-function 2 -										
Properties										
Sub-function 1 - New connections										
To promote access to adequate, affordable and well maintained municipal basic services										
Waste Water Management										
Sub-function 1 -										
Sub-function 2 -										
Waste Management										
Sub-function 1 -										
Sub-function 2 -										
Public Works										
Sub-function 1 -										
Sub-function 2 -										
Water										
Sub-function 1 -										
Sub-function 2 -										
Electricity										
Sub-function 1 -										
Sub-function 2 -										
To promote a safe and healthy environment and access to public amenities										
Traffic										
Sub-function 1 -										
Sub-function 2 -										
Libraries										
Sub-function 1 -										
Sub-function 2 -										
Cemeteries										
Sub-function 1 -										
Sub-function 2 -										
Parks and Recreation										
Sub-function 1 -										
Sub-function 2 -										
Disaster Management										
Sub-function 1 -										
Sub-function 2 -										

1.9.1 Performance indicators and benchmarks

1.9.1.1 Borrowing Management

- The municipality does not foresee any borrowing during the MTREF.

1.9.1.2 Safety of Capital

- Gearing: no borrowing will be undertaken.

1.9.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities. For the 2016/17 MTREF the current ratio is 1.4:1 in the 2016/17 financial year.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to erase or redeem, its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1:1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

1.9.1.4 Revenue Management

- The revenue value chain must be enhanced to ensuring accurate billing, customer service, credit control and debt collection.

1.9.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation.

1.9.1.6 Other Indicators

- The electricity distribution losses increase from 33.85% in the 2016/17 financial year to 40.78 per cent over the MTREF. The initiatives to ensure these targets are decreasing the following measurements is in place achieved, managing illegal connections and theft of electricity by rolling out our own metering systems, including prepaid meters.
- The water distribution losses have decreased significantly from 45.94 per cent in 2012/13 to 15,57 per cent in 2015/16.

1.9.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality.

For the 2016/17 financial year 3527 registered indigents have been provided for in the budget with this figured increasing to 4000 by 2017/18. In terms of the Municipality's indigent policy registered households are entitled to 6kl fee water, 50 kwh of Electricity, sanitation and free waste removal as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the table noted above.

1.10 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

1.10.1 Review of credit control and debt collection procedures/policies

POLICIES	AMENDED	COMMENTS
Tariff Policy	Yes	
Free Basic Services Policy	Yes	
Credit control and debt Collection Policy	Yes	
Property rates Policy	Yes	
Supply Chain Management Policy	Yes	
Investment Policy	Yes	

1.11 Overview of budget assumptions

1.11.1 External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which have necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

1.11.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
 - The impact of municipal cost drivers;
 - The increase in prices for bulk Electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 36 per cent of total operating expenditure in the 2016/17 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal workers unions as well as the categorisation and job evaluation wage curves collective agreement signed on 21 April 2010 must be noted. No agreement has been reached for the MTREF and a 8% increase for 2016/17 has been budgeted for

1.11.3 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (85 per cent) of annual billings. Cash flow is assumed to be 85 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

1.11.4 Salary increases

No collective agreement regarding salaries\wages has been concluded thus far. An eight per cent increase is budgeted for.

1.11.5 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 100 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2016/17 MTREF of which performance has been factored into the cash flow budget.

1.12 Overview of budget funding

1.12.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 30 Performance Indicators & Benchmarking

NC078 Siyancuma - Supporting Table SA8 Performance indicators and benchmarks

NC076 Siyancuma - Supporting Table SA0 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	5,3%	4,1%	7,5%	0,8%	0,8%	0,8%	1,9%	2,3%	2,1%	2,0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	11,4%	6,7%	18,5%	1,5%	1,6%	1,6%	3,8%	4,5%	4,2%	4,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	21,9%	0,0%	0,0%	131,4%	21,0%	21,0%	21,0%	0,0%	0,0%	0,0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity											
Current Ratio	Current assets/current liabilities	0,9	1,2	0,3	2,8	2,8	2,8	0,2	0,2	0,2	0,1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,9	1,2	0,3	2,8	2,8	2,8	0,2	0,2	0,2	0,1
Liquidity Ratio	Monetary Assets/Current Liabilities	0,2	0,2	0,0	0,1	0,1	0,1	-	-	-	-
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		55,9%	100,0%	103,0%	112,5%	145,6%	111,1%	111,1%	89,2%	89,2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		99,9%	100,0%	100,0%	85,4%	111,1%	111,1%	111,1%	89,2%	89,2%	89,2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	20,5%	39,2%	13,7%	35,3%	41,0%	41,0%	13,0%	14,1%	14,8%	15,2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		158,4%	185,1%	2003,1%	-33,9%	86,6%	-36,7%	-123,4%	-109,4%	-94,6%	-97,2%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	40,7%	36,3%	38,7%	40,3%	38,2%	38,2%	38,2%	38,2%	38,3%	38,5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44,2%	39,4%	42,0%	42,7%	41,2%	41,2%		41,0%	41,1%	41,3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5,1%	0,0%	0,0%	4,9%	0,0%	0,0%		5,1%	5,1%	5,1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15,5%	10,0%	17,1%	10,9%	12,5%	12,5%	12,5%	13,8%	13,6%	13,2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	14,0	9,3	30,9	56,4	56,4	56,4	33,2	35,2	37,2	39,8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	38,7%	83,6%	28,9%	58,4%	74,3%	74,3%	23,6%	24,5%	25,1%	25,7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1,1	1,4	0,2	(2,6)	1,1	(2,5)	(3,6)	(4,4)	(5,4)	(5,9)

Table 31 Breakdown of the operating revenue over the medium-term

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	6 938	7 621	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	20 576	24 518	24 855	42 090	34 810	34 810	34 810	37 868	40 592	43 478
Service charges - water revenue	2	9 426	9 856	10 887	16 108	9 022	9 022	9 022	13 609	14 421	15 430
Service charges - sanitation revenue	2	5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Service charges - refuse revenue	2	4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Service charges - other		–	–	–	–	(0)	(0)	(0)	175	187	200
Rental of facilities and equipment		416	485	266	461	347	347	347	248	307	327
Interest earned - external investments		875	307	407	620	90	90	90	100	260	260
Interest earned - outstanding debtors		561	630	682	629	629	629	629	700	400	430
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		48	87	2 966	6 800	5 800	5 800	5 800	3 000	3 210	3 435
Licences and permits		13	914	986	450	450	450	450	80	86	92
Agency services		755	–	(0)	758	711	711	711	800	856	916
Transfers recognised - operational		38 250	42 691	42 931	43 928	43 778	43 778	43 778	45 393	45 720	48 250
Other revenue	2	872	11 919	8 994	438	597	597	597	618	653	700
Gains on disposal of PPE		–	137	369	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966

Table 32 MBRR SA15 – Detail Investment Information

NC078 Siyancuma - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		5 500	8 506	390	61	61	61			
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	5 500	8 506	390	61	61	61	-	-	-
Consolidated total:		5 500	8 506	390	61	61	61	-	-	-

1.12.2 Medium-term outlook: capital revenue

Table 33 Sources of capital revenue over the MTREF

Funded by:											
National Government		24 491	13 203	36 266	23 587	23 587	23 587	23 587	20 431	19 108	18 856
Provincial Government		56		1 642	610	610	610	610	200		
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	24 547	13 203	37 908	24 197	24 197	24 197	24 197	20 631	19 108	18 856
Public contributions & donations	5			7 655							
Borrowing	6			4 290	1 800						
Internally generated funds		7 489	9 392	1 418	1 624	1 624	1 624	1 624			
Total Capital Funding	7	32 036	22 595	51 271	27 621	25 821	25 821	25 821	20 631	19 108	18 856

Capital grants and receipts fund a major portion of capital expenditure.

Table 34 MBRR Table SA 17 - Detail of borrowings

NC078 Siyancuma - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		6 371	4 693	4 827						
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	6 371	4 693	4 827	-	-	-	-	-	-
Total Borrowing	1	6 371	4 693	4 827	-	-	-	-	-	-

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

Table 35 MBRR Table SA 18 - Capital transfers and grant receipts

NC078 Siyancuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		39 879	39 976	41 704	43 280	43 280	43 280	42 987	42 967	45 324
Local Government Equitable Share		35 680	36 842	38 021	39 475	39 475	39 475	39 977	40 622	42 724
Finance Management		1 500	1 650	1 800	1 875	1 875	1 875	2 010	2 345	2 600
Municipal Systems Improvement		800	484	883	930	930	930			
Water Services Operating Subsidy										
EPWP Incentive		1 899	1 000	1 000	1 000	1 000	1 000	1 000		
Provincial Government:		312	630	826	-	648	-	1 280	-	-
Library Subsidy		312	630	826		648		1 280		
Human Settlement Dev Grant										
Municipal Capacity Building grant										
Maintenance on Proclaimed Roads										
Municipal Infrastructure Support Grant										
CDW										
FMSG										
Thusong Services Grant (Operational Support										
Municipal Performance Management Grant										
SUPPORT FOR IDP PROJECTS										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		156	72	11	-	-	-	-	-	-
Griekwastad 457										
SETA		156	72	11						
Douglas Oxidation Pounds										
Total Operating Transfers and Grants	5	40 347	40 678	42 540	43 280	43 928	43 280	44 267	42 967	45 324
Capital Transfers and Grants										
National Government:		11 994	23 081	11 311	19 587	30 837	30 837	19 851	18 908	18 646
Municipal Infrastructure Grant (MIG)		12 081	19 475	9 760	16 187	26 187	26 187	15 851	16 908	17 646
Public Transport and Systems										
Neighbourhood Development Partnership										
Integrated National Electrification Programm		(87)	3 200	1 500	3 400	4 650	4 650	4 000	2 000	1 000
Accelerated Community Infrastructure Program										
Municipal Systems Improvement			406	51						
Department of Water affairs								-		
Provincial Government:		601	-	-	4 610	4 610	4 000	200	-	-
Library Subsidy						610		200		
Human Settlement Dev Grant										
FMSG										
Municipal Infrastructure Support Grant										
FINANCIAL SUPPORT IDP										
EPWP		601								
ACIP					4 610	4 000	4 000			
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	10 110	14 960	8 098	-	-	-	-	-
Griekwastad 457			4 775	8 766	8 098					
Douglas Oxidation pounds			5 335	6 193						
Total Capital Transfers and Grants	5	12 595	33 191	26 271	32 295	35 447	34 837	20 051	18 908	18 646
TOTAL RECEIPTS OF TRANSFERS & GRANTS		52 942	73 869	68 811	75 575	79 375	78 117	64 318	61 875	63 970

1.12.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue.

Table 36 MBRR Table A7 - Budget cash flow statement

NC078 Siyancuma - Table A7 Budgeted Cash Flows

NCORP Oryancuma - Table A1: Budgeted Cash Flows												
Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates, penalties & collection charges			6 938	7 621	8 530	9 781	10 426	10 426	10 426	8 813	9 445	10 106
Service charges			39 363	41 988	43 298	59 487	60 540	60 540	60 540	52 246	55 981	59 939
Other revenue			1 563	10 109	5 460	8 907	7 823	7 823	7 823	10 579	5 112	5 469
Government - operating	1		38 250	42 691	42 931	43 280	35 401	35 401	35 401	45 393	45 720	48 250
Government - capital	1		27 022	24 192	42 076	32 295	23 587	23 587	23 587	20 051	18 908	18 646
Interest			1 436	937	1 089	1 249	719	719	719	660	580	604
Dividends								-	-	-	-	-
Payments												
Suppliers and employees			(80 131)	(97 003)	(102 951)	(154 154)	(69 832)	(69 832)	(69 832)	(123 914)	(125 456)	(132 852)
Finance charges			(2 083)	(1 674)	(6 470)	(11 159)	(33 500)	(33 500)	(33 500)	(1 199)	(1 250)	(1 300)
Transfers and Grants	1		(1 488)	(2 546)	(1 923)	(14 742)	(33 118)	(33 118)	(33 118)	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES			30 871	26 315	32 040	(25 056)	2 046	2 046	2 046	12 629	9 040	8 863
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			1 751	331	3 668					-	-	-
Decrease (Increase) in non-current debtors			(20 402)		1 555	22 000	22 000	-	-	-	-	-
Decrease (increase) other non-current receivables										-	-	-
Decrease (increase) in non-current investments								-	-	-	-	-
Payments												
Capital assets			(27 242)	(21 715)	(38 750)	(35 719)	(25 821)	(37 071)	(37 071)	(20 631)	(19 108)	(18 856)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(45 894)	(21 384)	(33 527)	(13 719)	(3 821)	(37 071)	(37 071)	(20 631)	(19 108)	(18 856)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans								-	-	-	-	-
Borrowing long term/refinancing			1 638			4 500	2 700	2 700	2 700	-	-	-
Increase (decrease) in consumer deposits			12	(23)	16	19	19	3	3	6	10	10
Payments												
Repayment of borrowing			(3 299)	(2 635)	(5 823)	(900)	(900)	(900)	(2 520)	(1 522)	(1 523)	(1 523)
NET CASH FROM/(USED) FINANCING ACTIVITIES			(1 649)	(2 658)	(5 807)	3 619	1 819	1 803	183	(1 516)	(1 513)	(1 513)
NET INCREASE/ (DECREASE) IN CASH HELD			(16 672)	2 273	(7 294)	(35 156)	44	(33 222)	(34 842)	(9 518)	(11 581)	(11 505)
Cash/cash equivalents at the year begin:	2		23 858	7 186	9 462	9 866	9 866	9 866	2 168	(32 674)	(42 192)	(53 773)
Cash/cash equivalents at the year end:	2		7 186	9 462	2 168	(25 290)	9 910	(23 356)	(32 674)	(42 192)	(53 773)	(65 279)

1.12.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42, which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
 - How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 37 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

NC078 Siyancuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	7 186	9 462	2 168	(25 290)	9 910	(23 356)	(32 674)	(42 192)	(53 773)	(65 279)
Other current investments > 90 days		–	–	(0)	26 651	(8 549)	24 717	–	–	1	1
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		7 186	9 462	2 168	1 361	1 361	1 361	(32 674)	(42 191)	(53 772)	(65 278)
Application of cash and investments											
Unspent conditional transfers		10 119	17 106	910	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(6 288)	(21 778)	30 311	(32 516)	(43 306)	(43 306)	23 849	29 821	34 310	45 305
Other provisions	4	–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		3 831	(4 672)	31 221	(32 516)	(43 306)	(43 306)	23 849	29 821	34 310	45 305
Surplus(shortfall)		3 355	14 133	(29 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)

1.12.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 38 MBRR Table A10 – Funding Measurements

NC078 Siyancuma Supporting Table SA10 Funding measurement												
Description	MFMA section	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
			Actual Outcomes	Actual Outcomes	Actual Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit	Budget Year 2016/17	Budget Year '17	Budget Year '18
Funding Measures												
Cash/Grant equivalents at the year end - R000	18(1)(b)	1	7 186	9 462	2 168	(25 290)	9 910	(23 360)	(32 674)	(42 192)	(63 773)	(65 279)
Cash/Grant equivalents at the year end less applications - R000	18(1)(b)	2	3 355	14 133	(20 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)
Cash year end/monthly employees/supplier payments	18(1)(b)	3	1,1	4,4	(2,2)	(2,2)	1,1	(2,5)	(3,6)	(4,4)	(5,4)	(5,9)
Surplus/Deficit excluding depreciation offsets - R000	18(1)(c)	4	7 924	24 642	(12 464)	2 583	(8 186)	(8 186)	(8 186)	(12 097)	(20 087)	(20 087)
Service charge rev % change - macro CPIK target exclusive	18(1)(a)(2)	5	N.A.	1,1%	(1,5%)	50,6%	(27,3%)	(0,0%)	(0,0%)	1,2%	1,2%	1,1%
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	6	97,3%	93,8%	87,2%	86,2%	108,8%	108,8%	108,8%	86,4%	86,4%	86,4%
Debt impairment expense as a % of total billable revenue	18(1)(a)(2)	7	24,1%	0,0%	69,5%	13,8%	17,5%	17,5%	17,5%	20,2%	20,2%	20,2%
Capital payments % of capital expenditure	18(1)(a)	8	55,2%	66,1%	75,3%	129,3%	69,7%	100,0%	100,0%	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)(c)	9	21,9%	0,0%	0,0%	131,4%	21,0%	21,0%	21,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)(a)	10										
Current consumer debtors % change - incorder	18(1)(a)	11	N.A.	131,4%	(64,1%)	216,0%	0,0%	0,0%	(60,3%)	(60,0%)	9,7%	9,5%
Long term receivables % change - incorder	18(1)(a)	12	1,8%	0,0%	0,0%	1,9%	0,0%	0,0%	2,0%	1,8%	1,9%	2,0%
R&A % of Property Plant & Equipment	20(1)(v)	13										
Asset renewal % of capital budget	20(1)(v)	14	100,0%	100,0%	0,0%	90,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
References												
1. Positive cash balances indicative of minimum compliance - subject to 2												
2. Deduct cash and investment applications (defined) from cash balances												
3. Indicative of sufficient liquidity to meet average monthly operating payments												
4. Indicative of funded operational requirements												
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
6. Realistic average cash collection forecasts as % of annual billed revenue												
7. Realistic average increase in debt impairment (doubtful debt) provision												
8. Indicative of planned capital expenditure level & cash payment timing												
9. Indicative of compliance with borrowing body for the capital budget - should not exceed 100% unless refinancing												
10. Substantiation of National/Province allocations included in budget												
11. Indicative of realistic current arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
12. Indicative of realistic long term arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection												
14. Indicative of a credible allowance for asset renewal (includes analysis of asset renewal projects - detailed capital plan) - functioning assets revenue protection												
Supporting Indicators												
% inc Property Rates (changes (incl prop rates))	18(1)(a)		7,1%	4,5%	56,6%	(21,3%)	0,0%	0,0%	7,2%	7,2%	7,1%	7,0%
% inc Property Rates (excl prop rates)	18(1)(a)		7,1%	11,9%	23,0%	(9,7%)	0,0%	0,0%	7,2%	7,2%	7,0%	7,0%
% inc Service charges - electricity revenue	18(1)(a)		19,2%	1,4%	69,3%	(17,3%)	0,0%	0,0%	8,8%	7,2%	7,1%	7,1%
% inc Service charges - water revenue	18(1)(a)		4,0%	10,5%	49,0%	(44,2%)	0,0%	0,0%	60,8%	6,0%	7,0%	7,0%
% inc Service charges - sanitation revenue	18(1)(a)		(16,8%)	2,7%	47,8%	(0,0%)	0,0%	0,0%	(53,1%)	9,6%	7,0%	7,0%
% inc Service charges - refuse revenue	18(1)(a)		(19,2%)	(0,0%)	86,8%	(60,3%)	0,0%	0,0%	(13,3%)	9,7%	7,0%	7,0%
% inc in Service charges - other	18(1)(a)		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	(87500/100,0%)	7,0%	7,0%	7,0%
Total billable revenue	18(1)(a)		46 340	49 609	111 828	63 855	63 855	63 855	66 478	73 377	78 856	78 856
Service charges	18(1)(a)		46 340	49 609	111 828	63 855	63 855	63 855	66 478	73 377	78 856	78 856
Property rates	18(1)(a)		6 938	6 938	10 434	10 434	10 434	10 434	11 607	12 633	13 456	13 456
Service charges - electricity revenue	18(1)(a)		34 810	34 810	64 250	34 810	34 810	34 810	37 898	40 922	43 878	43 878
Service charges - water revenue	18(1)(a)		9 426	9 426	10 087	10 087	9 022	9 022	13 609	14 421	15 430	15 430
Service charges - sanitation revenue	18(1)(a)		2 076	2 076	4 139	4 252	6 264	6 264	3 228	3 228	3 228	3 228
Service charges - refuse removal	18(1)(a)		4 302	3 475	3 304	6 172	3 313	3 313	2 864	3 141	3 361	3 361
Service charges - other	18(1)(a)						(0)		175			
Rent of facilities and equipment	18(1)(a)		410	485	266	461	347	347	248	307	327	327
Capital expenditure excluding capital grant funding	18(1)(a)		7 469	9 392	13 363	13 424	12 074	12 074	71 638	70 536	75 516	75 516
Cash receipts from ratepayers	18(1)(a)		47 064	59 718	57 280	70 770	70 769	70 769	73 924	78 880	84 466	84 466
Ratepayer & Other revenue	18(1)(a)		48 000	63 644	65 723	80 684	72 389	72 389	73 924	78 880	84 466	84 466
Change in consumer debtors (current and non-current)	18(1)(a)		10 859	23 777	(26 826)	32 825	32 825	32 825	79	1 643	1 761	1 761
Operating and Capital Grant Revenue	20(1)(v)		66 272	86 842	85 007	86 833	87 975	87 975	89 444	89 444	89 444	89 444
Capital expenditure - total	20(1)(v)		32 036	22 595	51 271	27 621	25 621	25 621	20 631	19 108	18 856	18 856
Capital expenditure - renewal	20(1)(v)		32 036	22 595	51 271	27 621	25 621	25 621	20 631	19 108	18 856	18 856
Supporting Benchmarks												
Growth guideline maximum			6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
CPI guideline			4,3%	3,9%	4,0%	5,0%	5,0%	5,0%	5,4%	5,6%	5,4%	5,4%
DoRA operating grants total MFV												
DoRA capital grants total MFV												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/allocated national, provincial and district grants												
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Equitable Share												
Finance Management												
Municipal Systems Improvement												
Integrated National Electrification Programme												
Water Services Operating Subsidy												
EPWP Incentive												
DoRA capital												
Municipal Infrastructure Grant (MIG)												
Public Transport and Systems												
Neighbourhood Development Partnership												
Integrated National Electrification Programme												
Accelerated Community Infrastructure Program												
Regional Bulk Infrastructure Grant												
Department of Water Affairs												
Municipal Systems Improvement grant												
Municipal Infrastructure Support Grant												
EPWP Incentive grant												
Trend												
Change in consumer debtors (current and non-current)			10 859	23 777	(26 826)	79	(30 809)	1 643	1 761	-	-	-
Total Operating Revenue												
Total Operating Expenditure												
Operating Performance: Surplus/Deficit												
Cash and Cash Equivalents (30 June 2012)												
Revenue			119 204	108 129	166 055	136 233	116 257	116 257	116 257	119 417	124 868	132 966
Expenditure			119 204	108 129	166 055	136 233	116 257	116 257	116 257	119 417	124 868	132 966
% Increase in Total Operating Revenue			21,2%	2,8%	23,6%	(14,0%)	0,0%	0,0%	2,7%	4,8%	6,5%	6,5%
% Increase in Property Rates Revenue			9,0%	11,9%	23,0%	(9,7%)	0,0%	0,0%	7,2%	7,2%	7,0%	7,0%
% Increase in Electricity Revenue			19,2%	1,4%	69,3%	(17,3%)	0,0%	0,0%	8,8%	7,2%	7,1%	7,1%
% Increase in Property Rates & Services Charges			7,1%	4,5%	56,6%	(21,3%)	0,0%	0,0%	7,2%	7,2%	7,0%	7,0%
% Increase in Total Operating Expenditure			(1,1%)	54,5%	1,3%	(10,8%)	0,0%	0,0%	(0,0%)	5,4%	10,2%	10,2%
% Increase in Employee Costs			7,8%	9,4%	26,8%	(10,8%)	0,0%	0,0%	2,8%	4,8%	7,0%	7,0%
% Increase in Electricity Bulk Purchases			22,8%	16,7%	2,1%	0,0%	0,0%	0,0%	8,7%	5,0%	20,0%	20,0%
Average Cost Per Budgeted Employee Position (Remuneration)			0	0	0	0	0	0	0	0	0	0
R&A % of PPE			1,8%	0,0%	1,9%	0,0%	0,0%	0,0%	1,8%	1,9%	2,0%	2,0%
Asset Renewal and R&A as a % of PPE			14,0%	0,0%	15,0%	0,0%	0,0%	0,0%	2,0%	2,0%	2,0%	2,0%
Debt Impairment % of Total Billable Revenue			24,1%	0,0%	69,5%	13,8%	17,5%	17,5%	20,2%	20,2%	20,2%	20,2%
Capital Expenditure			32 036	22 595	51 271	27 621	25 621	25 621	20 631	19 108	18 856	18 856
Asset Renewal			100,2%	100,0%	0,0%	90,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Asset Renewal % of Total Capital Expenditure			100,2%	100,0%	0,0%	90,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Cash			97,7%	93,8%	87,2%	86,2%	108,8%	108,8%	108,8%	86,4%	86,4%	86,4%
Cash Receipts % of Rate Payer & Other			97,7%	93,8%	87,2%	86,2%	108,8%	108,8%	108,8%	86,4%	86,4%	86,4%
Cash Coverage Ratio			97,7%	93,8%	87,2%	86,2%	108,8%	108,8%	108,8%	86,4%	86,4%	86,4%
Borrowing												
Credit Rating (2009/10)												
Capital Charges to Operating			5,3%	4,1%	7,5%	0,8%	0,8%	0,8%	1,9%	2,1%	2,0%	2,0%
Borrowing Receipts % of Capital Expenditure			21,9%	0,0%	0,0%	131,4%	21,0%	21,0%	21,0%	0,0%	0,0%	0,0%
Reserves												
Surplus/Deficit			3 355	14 133	(20 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)
Free Basic Services as a % of Equitable Share			15,4%	20,5%	22,9%	22,8%	10,8%	10,8%	10,6%	10,6%	25,8%	25,7%
Free Services as a % of Operating Revenue (excl operational transfers)			16,0%	28,4%	27,7%	11,8%	14,8%	14,8%	15,5%	15,2%	15,2%	15,2%
High Level Outcome of Funding Comparison												
Total Operating Revenue			88 131	106 779	109 430	135 233	116 257	116 257	116 257	119 417	124 868	132 966
Total Operating Expenditure			107 335	108 129	163 970	166 055	148 652	148 652	148 652	147 826	155 863	171 778
Surplus/Deficit Budgeted Operating Statement			(19 204)	(1,354)	(54 540)	(30 822)	(32 395)	(32 395)	(32 395)	(28 411)	(28 995)	(38 812)
Surplus/Deficit Considering Reserves and Cash Backing			3 355	14 133	(20 053)	33 877	44 667	44 667	(56 523)	(72 012)	(88 082)	(110 583)
MTREF Funded (1) / Unfunded (2)			15	15	15	15	15	15	15	15	15	15

1.12.5.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The municipality show a positive cash equivalent position for the MTREF period

1.12.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

1.12.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

1.12.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into

consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2016/17 MTREF the indicative outcome is a deficit of R 8 360 million after the non-cash items is deducted.

1.12.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth.

1.12.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

1.12.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. Adequate provision has been appropriated the MTREF period.

1.12.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

1.12.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded.

1.12.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

1.12.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the municipality's policy of settling debtor accounts within 30 days.

1.12.5.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 60 MBRR SA34C

1.12.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b.

Expenditure on grants and reconciliations of unspent funds

Table 39 MBRR SA19 - Expenditure on transfers and grant programmes

NC078 Siyancuma - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		37 932	41 248	42 105	43 280	43 280	43 280	44 343	44 460	46 883
Local Government Equitable Share		35 680	36 842	38 021	39 475	39 475	39 475	39 977	40 622	42 724
Finance Management		1 424	1 614	1 800	1 875	1 875	1 875	2 010	2 345	2 600
Municipal Systems Improvement		403	527	883	930	930	930			
					-	-	-	1 356	1 493	1 559
Water Services Operating Subsidy					-	-	-			
EPWP Incentive		424	2 265	1 401	1 000	1 000	1 000	1 000		
					-	-	-			
Public Transport and Systems										
Provincial Government:		319	1 374	826	-	648	648	1 258	1 260	1 367
Library Subsidy		319	1 374	826	-	648	648	1 258	1 260	1 367
Human Settlement Dev Grant					-	-	-			
Municipal Capacity Building grant					-	-	-			
Maintenance on Proclaimed Roads					-	-	-			
Municipal Infrastructure Support Grant					-	-	-			
CDW					-	-	-			
FMSG					-	-	-			
Thusong Services Grant (Operational Support					-	-	-			
Municipal Performance Management Grant					-	-	-			
SUPPORT FOR IDP PROJECTS					-	-	-			
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Thusong Centre Grant</i>										
Other grant providers:		-	69	-	-	-	-	-	-	-
Griekwastad 457			69							
SETA										
Total operating expenditure of Transfers and Grants:		38 250	42 691	42 931	43 280	43 928	43 928	45 601	45 720	48 250
Capital expenditure of Transfers and Grants										
National Government:		26 820	15 143	26 020	19 587	30 837	30 837	33 851	18 908	18 646
Municipal Infrastructure Grant (MIG)		25 851	13 180	22 861	16 187	26 187	26 187	15 851	16 908	17 646
Public Transport and Systems					-	-	-			
Neighbourhood Development Partnership					-	-	-			
Integrated National Electrification Programm		541	1 592	3 108	3 400	4 650	4 650	4 000	2 000	1 000
Accelerated Community Infrastructure Program					-	-	-			
Municipal Systems Improvement		397	363	51	-	-	-			
EPWP		31	7		-	-	-	14 000		
Department of Water affairs					-	-	-			
Provincial Government:		203	36	-	-	4 610	4 610	-	-	-
Library Subsidy		127			-	610	610			
Human Settlement Dev Grant										
FMSG		76	36							
Municipal Infrastructure Support Grant										
FINANCIAL SUPPORT IDP										
ACIP						4 000	4 000			
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	9 013	16 056	-	-	-	-	-	-
Griekwastad 457			4 775	8 766						
Douglas Oxidation Pounds			4 238	7 290						
Total capital expenditure of Transfers and Grants		27 022	24 192	42 076	19 587	35 447	35 447	33 851	18 908	18 646
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		65 273	66 882	85 007	62 867	79 375	79 375	79 452	64 628	66 896

Table 40 MBRR SA 20 - Reconciliation between of transfers, grants

NC078 Siyancuma - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

NC070 Siyauluma - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year			2 045	773			-	-	-	-
Current year receipts		39 879	39 976	41 704	43 280	43 280	43 280	42 987	42 967	45 324
Conditions met - transferred to revenue		37 834	41 248	42 105	43 280	43 280	43 280	42 987	42 967	45 324
Conditions still to be met - transferred to liabilities		2 045	773	372			-			
Provincial Government:										
Balance unspent at beginning of the year		877	744				-	-	-	-
Current year receipts		312	630	826	648	648	648	1 280	-	-
Conditions met - transferred to revenue		446	1 374	826	648	648	648	1 280	-	-
Conditions still to be met - transferred to liabilities		744					-			
District Municipality:										
Balance unspent at beginning of the year			-				-			
Current year receipts		-	-		-	-	-			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-			
Other grant providers:										
Balance unspent at beginning of the year		131	286	291			-			
Current year receipts		156	72	11			-	-	-	-
Conditions met - transferred to revenue		-	68	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		286	291	301			-			
Total operating transfers and grants revenue		38 280	42 691	42 931	43 928	43 928	43 928	44 267	42 967	45 324
Total operating transfers and grants - CTBM	2	3 075	1 063	673	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		21 442	7 044	14 946			-			
Current year receipts		12 023	23 081	11 311	23 587	23 587	23 587	19 851	18 908	18 646
Conditions met - transferred to revenue		26 421	15 178	26 020	23 587	23 587	23 587	19 851	18 908	18 646
Conditions still to be met - transferred to liabilities		7 044	14 946	238			-			
Provincial Government:										
Balance unspent at beginning of the year				-						
Transfer to Creditors										
Current year receipts		601			610	610	610	200	-	-
Conditions met - transferred to revenue		601	-	-	610	610	610	200	-	-
Conditions still to be met - transferred to liabilities							-			
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-			
Other grant providers:										
Balance unspent at beginning of the year				1 096			-			
Current year receipts			10 110	14 960			-			
Conditions met - transferred to revenue		-	9 013	16 056	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities			1 096				-			
Total capital transfers and grants revenue		27 022	24 191	42 076	24 197	24 197	24 197	20 051	18 908	18 646
Total capital transfers and grants - CTBM	2	7 044	16 043	238	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		65 302	66 882	85 007	68 125	68 125	68 125	64 318	61 875	63 970
TOTAL TRANSFERS AND GRANTS - CTBM		10 119	17 106	910	-	-	-	-	-	-

1.13 Councillor and employee benefits

Table 41 MBRR SA22 - Summary of councillor and staff benefits

NC078 Siyancuma - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		2 074	2 886	2 324	2 892	3 200	3 200	3 079	3 233	3 459
Pension and UIF Contributions		1								
Medical Aid Contributions										
Motor Vehicle Allowance		832	200	1 033						
Cellphone Allowance		159	202	269	230	240	240	262	275	294
Housing Allowances										
Other benefits and allowances			100		40	40	40			
Sub Total - Councillors		3 066	3 388	3 626	3 162	3 480	3 480	3 341	3 508	3 754
% increase	4		10,5%	7,0%	(12,8%)	10,1%		(4,0%)	5,0%	7,0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		1 926	2 070	2 343	2 602	2 273	2 273	2 338	2 451	2 623
Pension and UIF Contributions		243	414	536	444	311	311	319	335	358
Medical Aid Contributions					137	105	105	108	113	121
Overtime										
Performance Bonus										
Motor Vehicle Allowance		471	368	374	439	336	336	345	362	387
Cellphone Allowance		17	21	21	31	31	31	32	33	36
Housing Allowances		27	36	37	36	42	42	43	45	48
Other benefits and allowances				322	40	15	15	15	16	17
Payments in lieu of leave		86	42		65					
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Municipality		2 770	2 951	3 633	3 795	3 111	3 111	3 200	3 355	3 591
% increase	4		6,5%	23,1%	4,5%	(18,0%)		2,9%	4,8%	7,0%
Other Municipal Staff										
Basic Salaries and Wages		22 707	23 786	25 308	33 444	26 681	26 681	28 675	30 132	32 253
Pension and UIF Contributions		2 462	2 986	3 175	5 864	3 740	3 740	4 313	4 526	4 843
Medical Aid Contributions		903	1 030	1 195	2 274	1 729	1 729	1 986	2 085	2 231
Overtime		1 632	2 711	3 755	2 753	3 733	3 733	1 440	1 512	1 618
Performance Bonus										
Motor Vehicle Allowance		1 820	1 668	1 691	2 290	1 768	1 768	1 999	2 100	2 247
Cellphone Allowance		64	83	80	126	126	126	92	95	101
Housing Allowances		255	238	198	368	376	376	529	551	590
Other benefits and allowances		1 625	1 969	2 343	2 697	2 316	2 316	2 435	2 467	2 639
Payments in lieu of leave		1 154	783	427	481	450	450	350	368	393
Long service awards		138	130	135	451	353	353	230	246	264
Post-retirement benefit obligations		377	379	400				402	422	452
Sub Total - Other Municipal Staff		33 137	35 764	38 707	50 747	41 273	41 273	42 453	44 504	47 630
% increase	4		7,9%	8,2%	31,1%	(18,7%)		2,9%	4,8%	7,0%
Total Parent Municipality		38 973	42 103	45 966	57 704	47 864	47 864	48 994	51 367	54 974
			8,0%	9,2%	25,5%	(17,1%)		2,4%	4,8%	7,0%
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		38 973	42 103	45 966	57 704	47 864	47 864	48 994	51 367	54 974
% increase	4		8,0%	9,2%	25,5%	(17,1%)		2,4%	4,8%	7,0%
TOTAL MANAGERS AND STAFF	5,7	35 907	38 715	42 340	54 542	44 384	44 384	45 653	47 859	51 221

Table 42 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

NC078 Siyancuma - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4							-
Chief Whip								-
Executive Mayor								-
Deputy Executive Mayor								-
Executive Committee								-
Total for all other councillors								-
Total Councillors	8	-	-	-	-	-	-	-
Senior Managers of the Municipality	5							
Municipal Manager (MM)								-
Chief Finance Officer								-
Manager Corporate								-
Manager Community Services								-
Manager IDP								-
Manager Technical Services								-
List of each official with packages >= senior manager								-
Total Senior Managers of the Municipality	8,10	-	-	-	-	-	-	-
Total for municipal entities	8,10	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	-	-	-	-	-	-

Table 43 MBRR SA24 – Summary of personnel numbers

NC078 Siyancuma - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2014/15			Current Year 2015/16			Budget Year 2016/17		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)											
Board Members of municipal entities		4									
Municipal employees											
Municipal Manager and Senior Managers		5									
Other Managers		3									
Professionals		7									
Finance			–	–	–	–	–	–	–	–	–
Spatial/town planning											
Information Technology											
Roads											
Electricity											
Water											
Sanitation											
Refuse											
Other											
Technicians			–	–	–	–	–	–	–	–	–
Finance											
Spatial/town planning											
Information Technology											
Roads											
Electricity											
Water											
Sanitation											
Refuse											
Other											
Clerks (Clerical and administrative)											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades											
Plant and Machine Operators											
Elementary Occupations											
TOTAL PERSONNEL NUMBERS		9	–	–	–	–	–	–	–	–	–
% increase						–	–	–	–	–	–
Total municipal employees headcount		6, 10									
Finance personnel headcount		8, 10									
Human Resources personnel headcount		8, 10						–			

NC078 Siyancuma - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source																
Property rates		10 024	90	90	90	90	90	90	90	90	90	90	90	11 016	11 807	12 633
Property rates - penalties & collection charges														-	-	-
Service charges - electricity revenue		3 156	3 156	3 156	3 156	3 156	3 156	3 156	3 156	3 156	3 156	3 156	3 156	37 868	40 592	43 478
Service charges - water revenue		1 134	1 134	1 134	1 134	1 134	1 134	1 134	1 134	1 134	1 134	1 134	1 134	13 609	14 421	15 430
Service charges - sanitation revenue		246	246	246	246	246	246	246	246	246	246	246	246	2 946	3 228	3 454
Service charges - refuse revenue		239	239	239	239	239	239	239	239	239	239	239	239	2 864	3 141	3 361
Service charges - other		15	15	15	15	15	15	15	15	15	15	15	15	175	187	200
Rental of facilities and equipment		21	21	21	21	21	21	21	21	21	21	21	21	248	307	327
Interest earned - external investments		8	8	8	8	8	8	8	8	8	8	8	8	100	260	260
Interest earned - outstanding debtors		58	58	58	58	58	58	58	58	58	58	58	58	700	400	430
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 210	3 435
Licences and permits		7	7	7	7	7	7	7	7	7	7	7	7	80	86	92
Agency services		67	67	67	67	67	67	67	67	67	67	67	67	800	856	916
Transfers recognised - operational			15 131			15 131				15 131				45 393	45 720	48 250
Other revenue		52	52	52	52	52	52	52	52	52	52	52	52	618	653	700
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		15 275	20 472	5 341	5 341	20 472	5 341	5 341	5 341	20 472	5 341	5 341	5 341	119 417	124 868	132 966
Expenditure By Type																
Employee related costs		3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	45 653	47 859	51 221
Remuneration of councillors		278	278	278	278	278	278	278	278	278	278	278	278	3 341	3 508	3 754
Debt impairment		1 155	1 155	1 155	1 155	1 155	1 155	1 155	1 155	1 155	1 155	1 155	1 155	13 864	14 793	15 838
Depreciation & asset impairment		1 218	1 218	1 218	1 218	1 218	1 218	1 218	1 218	1 218	1 218	1 218	1 218	14 610	15 177	15 747
Finance charges		153	153	153	153	153	153	153	153	153	153	153	153	1 836	1 762	1 859
Bulk purchases		3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	3 075	36 900	38 745	46 426
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		150	150	150	150	150	150	150	150	150	150	150	150	1 800	1 890	2 022
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		2 485	2 485	2 485	2 485	2 485	2 485	2 485	2 485	2 485	2 485	2 485	2 485	29 824	32 128	34 912
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	147 828	155 863	171 778
Surplus/(Deficit)																
Transfers recognised - capital		2 956	8 153	(6 978)	(6 978)	8 153	(6 978)	(6 978)	(6 978)	8 153	(6 978)	(6 978)	(6 978)	(28 411)	(30 995)	(38 812)
Contributions recognised - capital		-	-	-	-	33 851	-	-	-	-	-	-	(13 800)	20 051	18 908	18 646
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions																
		2 956	8 153	(6 978)	(6 978)	42 004	(6 978)	(6 978)	(6 978)	8 153	(6 978)	(6 978)	(20 778)	(8 360)	(12 087)	(20 166)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	2 956	8 153	(6 978)	(6 978)	42 004	(6 978)	(6 978)	(6 978)	8 153	(6 978)	(6 978)	(20 778)	(8 360)	(12 087)	(20 166)

NC078 Siyancuma - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description		Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote																	
Vote 1 - MUNICIPAL MANAGER			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 2 - COUNCIL				220		220	220	220	220	220	694	220	220	187	2 645	2 774	2 911
Vote 3 - CORPORATE AND HUMAN RESOURCES			18	18	18	18	18	18	18	18	18	18	18	18	216	231	247
Vote 4 - FINANCE			10 024	13 200			15 020				13 200			(0)	51 444	52 966	56 063
Vote 5 - PROPERTIES			106	106		106	106	106	106	106	106	106	106	212	1 269	1 556	1 661
Vote 6 - LIBRARIES			17	17	17	17	17	17	17	17	17	17	17	17	200	—	—
Vote 7 - CEMETARY			3	3	3	3	3	3	3	3	3	3	3	3	40	35	38
Vote 8 - PARKS AND RECREATION			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 9 - DISASTER MANAGEMENT			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 10 - WASTE MANAGEMENT			239	239	239	239	1 926	239	239	239	239	239	239	(1 448)	2 864	3 141	3 361
Vote 11 - PUBLIC WORKS			9	1 404	1 404	1 404	1 404	1 404	1 404	1 404	1 404	1 404	1 404	2 800	16 851	16 908	17 646
Vote 12 - ELECTRICITY			3 156	3 630	2 173	1 630	19 774	1 630	1 630	1 630	3 156	1 630	1 630	1 630	43 299	44 146	46 123
Vote 13 - WATER			1 134	1 134	1 134	1 134	15 334	1 134	1 134	1 134	1 134	1 134	1 134	(12 865)	13 809	14 635	15 659
Vote 14 - WASTE WATER MANAGEMENT			246	246	246	246	246	246	246	246	246	246	246	246	2 951	3 234	3 460
Vote 15 - TRAFFIC			323	323	123	323	323	323	323	323	323	323	323	523	3 880	4 152	4 442
Total Revenue by Vote			15 275	20 540	5 357	5 340	54 391	5 340	5 340	5 340	20 540	5 340	5 340	(8 678)	139 468	143 776	151 612
Expenditure by Vote to be appropriated																	
Vote 1 - MUNICIPAL MANAGER			158	158	158	158	158	158	158	158	158	158	158	158	1 895	1 990	2 129
Vote 2 - COUNCIL			435	435	435	435	435	435	435	435	435	435	435	435	5 219	5 476	5 859
Vote 3 - CORPORATE AND HUMAN RESOURCES			1 379	1 379	1 379	1 379	1 379	1 379	1 379	1 379	1 379	1 379	1 379	1 379	16 547	17 379	18 594
Vote 4 - FINANCE			2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	34 711	37 304	40 445
Vote 5 - PROPERTIES			331	331	331	331	331	331	331	331	331	331	331	331	3 967	4 177	4 512
Vote 6 - LIBRARIES			182	182	182	182	182	182	182	182	182	182	182	182	2 185	2 202	2 357
Vote 7 - CEMETARY			55	55	55	55	55	55	55	55	55	55	55	55	661	693	740
Vote 8 - PARKS AND RECREATION			102	102	102	102	102	102	102	102	102	102	102	102	1 229	1 301	1 433
Vote 9 - DISASTER MANAGEMENT			91	91	91	91	91	91	91	91	91	91	91	91	1 088	1 144	1 225
Vote 10 - WASTE MANAGEMENT			212	212	212	212	212	212	212	212	212	212	212	212	2 539	2 644	2 830
Vote 11 - PUBLIC WORKS			953	953	953	953	953	953	953	953	953	953	953	953	11 434	11 759	12 020
Vote 12 - ELECTRICITY			3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	44 836	47 136	55 421
Vote 13 - WATER			832	832	832	832	832	832	832	832	832	832	832	832	9 985	10 529	11 269
Vote 14 - WASTE WATER MANAGEMENT			735	735	735	735	735	735	735	735	735	735	735	735	8 815	9 277	9 922
Vote 15 - TRAFFIC			226	226	226	226	226	226	226	226	226	226	226	226	2 717	2 853	3 022
Total Expenditure by Vote			12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	147 828	155 863	171 778
Surplus/(Deficit) before assoc.			2 956	8 221	(6 962)	(6 979)	42 072	(6 979)	(6 979)	(6 979)	8 221	(6 979)	(6 979)	(20 997)	(8 360)	(12 087)	(20 166)
Taxation															—	—	—
Attributable to minorities															—	—	—
Share of surplus/ (deficit) of associate															—	—	—
Surplus/(Deficit)		1	2 956	8 221	(6 962)	(6 979)	42 072	(6 979)	(6 979)	(6 979)	8 221	(6 979)	(6 979)	(20 997)	(8 360)	(12 087)	(20 166)

NC078 Siyancuma - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard																
Governance and administration		10 148	13 544	18	344	15 364	344	344	344	14 018	344	344	592	55 749	57 714	61 083
Executive and council		—	220	—	220	220	220	220	220	694	220	220	187	2 645	2 774	2 911
Budget and treasury office		10 024	13 200	—	—	15 020	—	—	—	13 200	—	—	175	51 619	53 153	56 263
Corporate services		124	124	18	124	124	124	124	124	124	124	124	230	1 485	1 787	1 909
Community and public safety		20	20	20	20	20	20	20	20	20	20	20	3 900	4 120	4 187	4 480
Community and social services		20	20	20	20	20	20	20	20	20	20	20	20	240	35	38
Sport and recreation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public safety		—	—	—	—	—	—	—	—	—	—	—	3 880	3 880	4 152	4 442
Housing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		332	1 728	1 528	1 728	1 728	1 728	1 728	1 728	1 728	1 728	1 728	(557)	16 851	16 908	17 646
Planning and development		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Road transport		332	1 728	1 528	1 728	1 728	1 728	1 728	1 728	1 728	1 728	1 728	(557)	16 851	16 908	17 646
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Trading services		4 775	5 249	3 792	3 249	37 280	3 249	3 249	3 249	4 775	3 249	3 249	(12 613)	62 748	64 968	68 402
Electricity		3 156	3 630	2 173	1 630	19 774	1 630	1 630	1 630	3 156	1 630	1 630	1 630	43 299	44 146	46 123
Water		1 134	1 134	1 134	1 134	15 334	1 134	1 134	1 134	1 134	1 134	1 134	(13 040)	13 634	14 448	15 459
Waste water management		246	246	246	246	246	246	246	246	246	246	246	246	2 951	3 234	3 460
Waste management		239	239	239	239	1 926	239	239	239	239	239	239	(1 448)	2 864	3 141	3 361
Other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue - Standard		15 275	20 540	5 357	5 340	54 391	5 340	5 340	5 340	20 540	5 340	5 340	(6 678)	139 468	143 777	151 611
Expenditure - Standard																
Governance and administration		5 195	5 195	5 195	5 195	5 195	5 195	5 195	5 195	5 195	5 195	5 195	5 195	62 339	66 326	71 539
Executive and council		593	593	593	593	593	593	593	593	593	593	593	593	7 114	7 466	7 989
Budget and treasury office		2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	2 893	34 711	37 304	40 445
Corporate services		1 709	1 709	1 709	1 709	1 709	1 709	1 709	1 709	1 709	1 709	1 709	1 709	20 514	21 556	23 105
Community and public safety		431	431	431	431	431	431	431	431	431	431	431	3 144	7 880	8 193	8 777
Community and social services		237	237	237	237	237	237	237	237	237	237	237	237	2 846	2 895	3 097
Sport and recreation		102	102	102	102	102	102	102	102	102	102	102	102	1 229	1 301	1 433
Public safety		57	57	57	57	57	57	57	57	57	57	57	3 178	3 805	3 997	4 248
Housing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Health		34	34	34	34	34	34	34	34	34	34	34	(374)	—	—	—
Economic and environmental services		1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	(1 538)	11 434	11 759	12 020
Planning and development		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Road transport		1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	1 179	(1 538)	11 434	11 759	12 020
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Trading services		5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	66 174	69 586	79 442
Electricity		3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	3 736	44 836	47 136	55 421
Water		832	832	832	832	832	832	832	832	832	832	832	832	9 985	10 529	11 269
Waste water management		735	735	735	735	735	735	735	735	735	735	735	735	8 815	9 277	9 922
Waste management		212	212	212	212	212	212	212	212	212	212	212	212	2 539	2 644	2 830
Other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure - Standard		12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 319	12 316	147 828	155 863	171 779
Surplus/(Deficit) before assoc.		2 955	8 221	(6 962)	(6 979)	42 072	(6 979)	(6 979)	(6 979)	8 221	(6 979)	(6 979)	(20 993)	(8 359)	(12 087)	(20 168)
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	2 955	8 221	(6 962)	(6 979)	42 072	(6 979)	(6 979)	(6 979)	8 221	(6 979)	(6 979)	(20 993)	(8 359)	(12 087)	(20 168)

NC078 Siyancuma - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER														-	-	-
Vote 2 - COUNCIL														-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES														-	-	-
Vote 4 - FINANCE														-	-	-
Vote 5 - PROPERTIES														-	-	-
Vote 6 - LIBRARIES														-	-	-
Vote 7 - CEMETARY														-	-	-
Vote 8 - PARKS AND RECREATION														-	-	-
Vote 9 - DISASTER MANAGEMENT														-	-	-
Vote 10 - WASTE MANAGEMENT														-	-	-
Vote 11 - PUBLIC WORKS														-	-	-
Vote 12 - ELECTRICITY														-	-	-
Vote 13 - WATER														-	-	-
Vote 14 - WASTE WATER MANAGEMENT														-	-	-
Vote 15 - TRAFFIC														-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER														-	-	-
Vote 2 - COUNCIL														-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES														-	-	-
Vote 4 - FINANCE													180	180	200	210
Vote 5 - PROPERTIES														-	-	-
Vote 6 - LIBRARIES													600	600	-	-
Vote 7 - CEMETARY														-	-	-
Vote 8 - PARKS AND RECREATION														-	-	-
Vote 9 - DISASTER MANAGEMENT														-	-	-
Vote 10 - WASTE MANAGEMENT														-	-	-
Vote 11 - PUBLIC WORKS		1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	(3 061)	15 851	16 908	17 646
Vote 12 - ELECTRICITY													4 000	4 000	2 000	1 000
Vote 13 - WATER														-	-	-
Vote 14 - WASTE WATER MANAGEMENT														-	-	-
Vote 15 - TRAFFIC														-	-	-
Capital single-year expenditure sub-total	2	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	20 631	19 108	18 856
Total Capital Expenditure	2	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	20 631	19 108	18 856

Table 44 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

NC078 Siyancuma - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard	1															
Governance and administration		-	-	-	-	-	-	-	-	-	-	-	-	180	180	200
Executive and council														-	-	-
Budget and treasury office														180	200	210
Corporate services														-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	600	600	-
Community and social services														600	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
Economic and environmental services		1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	(3 061)	15 851	16 908	17 646
Planning and development														-	-	-
Road transport		1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	(3 061)	15 851	16 908	17 646
Environmental protection														-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	4 000	4 000	2 000
Electricity														4 000	2 000	1 000
Water														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
Other														-	-	-
Total Capital Expenditure - Standard	2	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	20 631	19 108	18 856
Funded by:																
National Government														20 431	19 108	18 856
Provincial Government														200	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	20 631	19 108	18 856
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds														-	-	-
Total Capital Funding		-	-	-	-	-	-	-	-	-	-	-	-	20 631	19 108	18 856

NC078 Siyancuma - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Cash Receipts By Source															
Property rates	8 000	74	74	74	74	74	74	74	74	74	74	74	8 813	9 445	10 106
Property rates - penalties & collection charges															
Service charges - electricity revenue	2 878	2 878	2 878	2 878	2 878	2 878	2 878	2 878	2 878	2 878	2 878	2 878	34 535	37 020	39 652
Service charges - water revenue	1 034	1 034	1 034	1 034	1 034	1 034	1 034	1 034	1 034	1 034	1 034	1 034	12 411	13 152	14 072
Service charges - sanitation revenue	224	224	224	224	224	224	224	224	224	224	224	224	2 687	2 944	3 150
Service charges - refuse revenue	218	218	218	218	218	218	218	218	218	218	218	218	2 612	2 864	3 065
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	21	21	21	21	21	21	21	21	21	21	21	21	248	307	327
Interest earned - external investments	8	8	8	8	8	8	8	8	8	8	8	8	100	260	260
Interest earned - outstanding debtors	47	47	47	47	47	47	47	47	47	47	47	47	560	320	344
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 210	3 435
Licences and permits	7	7	7	7	7	7	7	7	7	7	7	7	80	86	92
Agency services	67	67	67	67	67	67	67	67	67	67	67	67	800	856	916
Transfer receipts - operational		15 200			15 200				15 200				45 393	45 720	48 250
Other revenue	538	538	538	538	538	538	538	538	538	538	538	538	6 451	6 53	700
Cash Receipts by Source	13 290	20 565	5 364	5 364	20 565	5 364	5 364	5 364	20 565	5 364	5 364	5 364	117 691	116 838	124 369
Other Cash Flows by Source															
Transfer receipts - capital					20 051								20 051	18 908	18 646
Contributions recognised - capital & Contributed assets													-	-	-
Proceeds on disposal of PPE													-	-	-
Short term loans													-	-	-
Borrowing long term/refinancing													-	-	-
Increase (decrease) in consumer deposits	1	1	1	1	1	1	1	1	1	1	1	1	6	10	10
Decrease (increase) in non-current debtors													-	-	-
Decrease (increase) other non-current receivables													-	-	-
Decrease (increase) in non-current investments													-	-	-
Total Cash Receipts by Source	13 291	20 565	5 365	5 365	40 616	5 365	5 365	5 365	20 565	5 365	5 365	5 365	137 748	135 756	143 025
Cash Payments by Type															
Employee related costs	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	3 804	45 653	47 859	51 221
Remuneration of councillors	278	278	278	278	278	278	278	278	278	278	278	278	3 341	3 508	3 754
Finance charges	100	100	100	100	100	100	100	100	100	100	100	100	1 199	-	-
Bulk purchases - Electricity	3 033	3 033	3 033	3 033	3 033	3 033	3 033	3 033	3 033	3 033	3 033	3 033	36 400	38 220	45 864
Bulk purchases - Water & Sewer	42	42	42	42	42	42	42	42	42	42	42	42	500	525	562
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	150	150	150	150	150	150	150	150	150	150	150	150	1 800	1 890	2 022
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	3 018	3 018	3 018	3 018	3 018	3 018	3 018	3 018	3 018	3 018	3 018	3 018	36 220	34 704	30 729
Cash Payments by Type	10 426	10 426	10 426	10 426	10 426	10 426	10 426	10 426	10 426	10 426	10 426	10 426	125 113	126 706	134 152
Other Cash Flows/Payments by Type															
Capital assets	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	20 631	19 108	18 856
Repayment of borrowing	127	127	127	127	127	127	127	127	127	127	127	127	1 522	1 523	1 523
Other Cash Flows/Payments															
Total Cash Payments by Type	12 272	12 272	12 272	12 272	12 272	12 272	12 272	12 272	12 272	12 272	12 272	12 272	147 266	147 337	154 531
NET INCREASE/(DECREASE) IN CASH HELD	1 019	8 293	(6 907)	(6 907)	28 344	(6 907)	(6 907)	(6 907)	8 293	(6 907)	(6 907)	(6 907)	(9 518)	(11 581)	(11 505)
Cash/cash equivalents at the month/year begin:	(32 674)	(31 655)	(23 362)	(30 270)	(37 177)	(8 833)	(15 740)	(22 648)	(29 555)	(21 262)	(28 169)	(35 077)	(32 674)	(42 192)	(53 773)
Cash/cash equivalents at the month/year end:	(31 655)	(23 362)	(30 270)	(37 177)	(8 833)	(15 740)	(22 648)	(29 555)	(21 262)	(28 169)	(35 077)	(41 984)	(42 192)	(53 773)	(65 279)

1.14 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

1.15 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, repair and maintenance of assets, and finally on depreciation.

Table 45 MBRR SA 34a - Capital expenditure on new assets by asset class

NC078 Siyancuma - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		—	—	45 176	—	24 891	24 891	20 031	19 108	18 856
Infrastructure - Road transport		—	—	14 818	—	9 687	9 687	15 851	16 908	17 646
Roads, Pavements & Bridges		—	—	14 818	—	9 687	9 687	15 851	16 908	17 646
Storm water		—	—	—	—	—	—	—	—	—
Infrastructure - Electricity		—	—	2 715	—	3 774	3 774	4 000	2 000	1 000
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		—	—	2 715	—	3 774	3 774	4 000	2 000	1 000
Street Lighting		—	—	—	—	—	—	—	—	—
Infrastructure - Water		—	—	13 169	—	7 200	7 200	—	—	—
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		—	—	—	—	—	—	—	—	—
Reticulation		—	—	13 169	—	7 200	7 200	—	—	—
Infrastructure - Sanitation		—	—	14 475	—	4 230	4 230	—	—	—
Reticulation		—	—	14 475	—	—	—	—	—	—
Sewerage purification		—	—	—	—	4 230	4 230	—	—	—
Infrastructure - Other		—	—	—	—	—	—	180	200	210
Waste Management		—	—	—	—	—	—	180	200	210
Transportation		—	—	—	—	—	—	—	—	—
Gas		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Community		—	—	—	—	—	—	600	—	—
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		—	—	—	—	—	—	—	—	—
Swimming pools		—	—	—	—	—	—	—	—	—
Community halls		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	600	—	—
Recreational facilities		—	—	—	—	—	—	—	—	—
Fire, safety & emergency		—	—	—	—	—	—	—	—	—
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		—	—	—	—	—	—	—	—	—
Social rental housing		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Other assets		—	—	6 095	2 730	930	930	—	—	—
General vehicles		—	—	1 290	1 800	—	—	—	—	—
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		—	—	32	—	—	—	—	—	—
Computers - hardware/equipment		—	—	287	160	160	160	—	—	—
Furniture and other office equipment		—	—	4 462	160	160	160	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		—	—	16	—	—	—	—	—	—
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		—	—	8	610	610	610	—	—	—
Agricultural assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Computers - software & programming		—	—	—	—	—	—	—	—	—
Other (list sub-class)		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	—	—	51 271	2 730	25 821	25 821	20 631	19 108	18 856
Specialised vehicles		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Fire		—	—	—	—	—	—	—	—	—
Conservancy		—	—	—	—	—	—	—	—	—
Ambulances		—	—	—	—	—	—	—	—	—

Table 46 MBRR SA 34b - Capital expenditure on renewal assets by asset class

NC078 Siyancuma - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class											
Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure	2	24 466	20 930	—	24 891	—	—	—	—	—	
Infrastructure - Road transport		8 485	10 287	—	9 687	—	—	—	—	—	
Roads, Pavements & Bridges		8 485	10 287	—	9 687	—	—	—	—	—	
Storm water		—	—	—	—	—	—	—	—	—	
Infrastructure - Electricity		1 146	1 409	—	3 774	—	—	—	—	—	
Generation		1 146	1 409	—	3 774	—	—	—	—	—	
Transmission & Reticulation		—	—	—	—	—	—	—	—	—	
Street Lighting		14 458	1 261	—	7 200	—	—	—	—	—	
Infrastructure - Water		—	—	—	—	—	—	—	—	—	
Dams & Reservoirs		—	—	—	—	—	—	—	—	—	
Water purification		14 458	1 261	—	7 200	—	—	—	—	—	
Reticulation		377	7 972	—	4 230	—	—	—	—	—	
Infrastructure - Sanitation		377	105	—	4 230	—	—	—	—	—	
Reticulation		—	7 868	—	—	—	—	—	—	—	
Sewerage purification		—	—	—	—	—	—	—	—	—	
Infrastructure - Other		—	—	—	—	—	—	—	—	—	
Waste Management		—	—	—	—	—	—	—	—	—	
Transportation		—	—	—	—	—	—	—	—	—	
Gas		—	—	—	—	—	—	—	—	—	
Other		—	—	—	—	—	—	—	—	—	
Community		3	158	80	—	—	—	—	—	—	—
Parks & gardens		7	—	—	—	—	—	—	—	—	—
Sportsfields & stadia			—	—	—	—	—	—	—	—	—
Swimming pools			25	—	—	—	—	—	—	—	—
Community halls			56	80	—	—	—	—	—	—	—
Libraries			—	—	—	—	—	—	—	—	—
Recreational facilities			—	—	—	—	—	—	—	—	—
Fire, safety & emergency			—	—	—	—	—	—	—	—	—
Security and policing			—	—	—	—	—	—	—	—	—
Buses			—	—	—	—	—	—	—	—	—
Clinics			—	—	—	—	—	—	—	—	—
Museums & Art Galleries			—	—	—	—	—	—	—	—	—
Cemeteries			—	—	—	—	—	—	—	—	—
Social rental housing		8	78	—	—	—	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—		
Heritage assets	9	—	—	—	—	—	—	—	—	—	
Buildings		—	—	—	—	—	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—	—	
Investment properties	10	—	—	—	—	—	—	—	—	—	
Housing development		—	—	—	—	—	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—	—	
Other assets	10	7 411	1 585	—	—	—	—	—	—	—	
General vehicles		2 118	8	—	—	—	—	—	—	—	
Specialised vehicles		—	—	—	—	—	—	—	—	—	
Plant & equipment		—	—	—	—	—	—	—	—	—	
Computers - hardware/equipment		386	317	—	—	—	—	—	—	—	
Furniture and other office equipment		4 907	1 243	—	—	—	—	—	—	—	
Abattoirs		—	—	—	—	—	—	—	—	—	
Markets		—	—	—	—	—	—	—	—	—	
Civic Land and Buildings		—	—	—	—	—	—	—	—	—	
Other Buildings		—	16	—	—	—	—	—	—	—	
Other Land		—	—	—	—	—	—	—	—	—	
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—	
Other	—	—	—	—	—	—	—	—	—		
Agricultural assets		—	—	—	—	—	—	—	—	—	
List sub-class		—	—	—	—	—	—	—	—	—	
Biological assets		—	—	—	—	—	—	—	—	—	
List sub-class		—	—	—	—	—	—	—	—	—	
Intangibles		—	—	—	—	—	—	—	—	—	
Computers - software & programming		—	—	—	—	—	—	—	—	—	
Other (list sub-class)		—	—	—	—	—	—	—	—	—	
Total Capital Expenditure on renewal of existing assets	1	32 036	22 595	—	24 891	—	—	—	—	—	
Specialised vehicles		—	—	—	—	—	—	—	—	—	
Refuse		—	—	—	—	—	—	—	—	—	
Fire		—	—	—	—	—	—	—	—	—	
Conservancy		—	—	—	—	—	—	—	—	—	
Ambulances		—	—	—	—	—	—	—	—	—	

NC078 Siyancuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		3 543	—	—	5 136	—	—	4 813	5 059	5 413
Infrastructure - Road transport		1 296	—	—	1 560	—	—	1 300	1 365	1 461
Roads, Pavements & Bridges		1 296	—	—	1 560	—	—	1 300	1 365	1 461
Storm water		—	—	—	—	—	—	—	—	—
Infrastructure - Electricity		840	—	—	720	—	—	720	756	809
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		840	—	—	720	—	—	720	756	809
Street Lighting		—	—	—	—	—	—	—	—	—
Infrastructure - Water		628	—	—	1 426	—	—	1 430	1 502	1 607
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		—	—	—	—	—	—	—	—	—
Reticulation		628	—	—	1 426	—	—	1 430	1 502	1 607
Infrastructure - Sanitation		560	—	—	837	—	—	880	929	994
Reticulation		—	—	—	—	—	—	—	—	—
Sewerage purification		560	—	—	837	—	—	880	929	994
Infrastructure - Other		219	—	—	593	—	—	483	507	543
Waste Management		219	—	—	593	—	—	483	507	543
Transportation		—	—	—	—	—	—	—	—	—
Gas		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Community		393	—	—	1 133	—	—	741	778	803
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		—	—	—	—	—	—	—	—	—
Swimming pools		—	—	—	—	—	—	—	—	—
Community halls		—	—	—	—	—	—	—	—	—
Libraries		8	—	—	88	—	—	65	68	73
Recreational facilities		49	—	—	131	—	—	71	75	80
Fire, safety & emergency		11	—	—	105	—	—	105	110	118
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		5	—	—	110	—	—	20	21	22
Social rental housing		—	—	—	—	—	—	—	—	—
Other		320	—	—	699	—	—	480	504	509
Heritage assets		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Other assets		554	—	—	343	—	—	513	528	565
General vehicles		302	—	—	120	—	—	120	126	135
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		—	—	—	—	—	—	—	—	—
Computers - hardware/equipment		149	—	—	100	—	—	100	95	101
Furniture and other office equipment		316	—	—	123	—	—	123	129	138
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		180	—	—	—	—	—	170	179	191
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		(392)	—	—	—	—	—	—	—	—
Agricultural assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Computers - software & programming		—	—	—	—	—	—	—	—	—
Other (list sub-class)		—	—	—	—	—	—	—	—	—
Total Repairs and Maintenance Expenditure	1	4 490	—	—	6 611	—	—	6 067	6 365	6 781
Specialised vehicles		—	—	—	—	—	—	—	—	—
Refuse		—	—	—	—	—	—	—	—	—
Fire		—	—	—	—	—	—	—	—	—
Conservancy		—	—	—	—	—	—	—	—	—
Ambulances		—	—	—	—	—	—	—	—	—

MBBR SA 34d-Depreciation by asset class

NC078 Siyancuma - Supporting Table SA34d Depreciation by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Depreciation by Asset Class/Sub-class										
Infrastructure		7 892	6 297	8 523	10 004	10 004	10 004	10 216	10 612	11 011
Infrastructure - Road transport		2 153	1 713	2 325	2 730	2 730	2 730	2 787	2 896	3 004
Roads, Pavements & Bridges		2 126	1 691	2 296	2 695	2 695	2 695	2 752	2 859	2 966
Storm water		28	22	30	35	35	35	36	37	39
Infrastructure - Electricity		1 474	1 177	1 592	1 868	1 868	1 868	1 908	1 982	2 056
Generation										
Transmission & Reticulation		1 474	1 177	1 592	1 868	1 868	1 868	1 908	1 982	2 056
Street Lighting										
Infrastructure - Water		2 458	1 963	2 654	3 115	3 115	3 115	3 181	3 305	3 429
Dams & Reservoirs										
Water purification										
Reticulation		2 458	1 963	2 654	3 115	3 115	3 115	3 181	3 305	3 429
Infrastructure - Sanitation		1 807	1 443	1 951	2 291	2 291	2 291	2 339	2 430	2 521
Reticulation		1 807	1 443	1 951	2 291	2 291	2 291	2 339	2 430	2 521
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation										
Gas										
Other										
Community		178	142	193	226	226	226	231	240	249
Parks & gardens										
Sportsfields & stadia		55	44	60	70	70	70	72	74	77
Swimming pools										
Community halls		18	14	19	23	23	23	23	24	25
Libraries		7	5	7	9	9	9	9	9	10
Recreational facilities		96	77	104	122	122	122	124	129	134
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing		2	2	3	3	3	3	3	3	3
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		3 056	2 448	3 301	3 874	3 874	3 874	3 957	4 110	4 264
General vehicles		703	562	759	891	891	891	910	946	981
Specialised vehicles										
Plant & equipment		328	262	355	416	416	416	425	442	458
Computers - hardware/equipment		174	139	188	221	221	221	225	234	243
Furniture and other office equipment		1 644	1 314	1 776	2 085	2 085	2 085	2 129	2 211	2 294
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		206	172	223	261	261	261	267	277	288
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		160	128	173	203	203	203	207	215	223
Computers - software & programming		160	128	173	203	203	203	207	215	223
Other (list sub-class)										
Total Depreciation	1	11 286	9 015	12 189	14 307	14 307	14 307	14 610	15 177	15 747
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

Table 47 MBRR SA36 - Detailed capital budget per municipal vote

NC978 Siyancuma - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Cost code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4									Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: List all capital projects grouped by Municipal Vote		Schmidsdrift Bulk Water Supply Electrification of Schmidsdrift Zone 5 Upgrading of Gravel roads in Siyancuma						28° 42'03.83"S 24° 03'25.08" E 28° 40'03.42"S 23° 59'31.12" E 28° 02'47.23"S 23° 48'47.70" E				5 423 4 000 10 228				
Parent Capital expenditure	1											19 851				
Entities: List all capital projects grouped by Entity																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure												19 851				
Total Capital expenditure																

1.16 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. They have enrolled on a course to comply with the minimum standards.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detailed SDBIP document, directly aligned and informed by the 2016/17 MTREF, has been tabled and is ready for approval by the Mayor.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

MFMA training has commenced.

8. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

1.17 Other supporting documents

Table 48 MBRR Table SA1 - Supporting detail to budgeted financial performance

NC078 Siyancuma - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
REVENUE ITEMS:											
Property rates	6	15 902	17 410	17 665	11 593	12 181	12 181	12 181	11 995	12 834	13 733
Total Property Rates											
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		8 963	9 794	9 135	1 099	1 755	1 755	1 755	979	1 028	1 100
Net Property Rates		6 938	7 616	8 530	10 494	10 426	10 426	10 426	11 016	11 807	12 633
Service charges - electricity revenue	6	23 459	25 396	25 982	42 090	34 810	34 810	34 810	39 499	42 306	45 311
Total Service charges - electricity revenue											
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		2 882	878	1 127	—	—	—	—	1 632	1 713	1 533
Less Cost of Free Basic Services (50 kwh per indigent household per month)		20 576	24 518	24 855	42 090	34 810	34 810	34 810	40 592	40 592	43 478
Net Service charges - electricity revenue		2 882	878	1 127	—	—	—	—	1 632	1 713	1 533
Service charges - water revenue	6	10 731	12 460	13 642	16 106	10 414	10 414	10 414	14 826	15 699	16 798
Total Service charges - water revenue											
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		1 305	2 610	2 754	1 392	1 392	1 392	1 392	1 217	1 278	1 367
Less Cost of Free Basic Services (6 kilolitres per indigent household per month)		9 426	9 850	10 887	16 106	9 022	9 022	9 022	13 609	14 421	15 430
Net Service charges - water revenue		1 305	2 610	2 754	1 392	1 392	1 392	1 392	1 217	1 278	1 367
Service charges - sanitation revenue	6	5 802	6 299	6 708	6 284	6 284	6 284	6 284	6 753	7 225	7 730
Total Service charges - sanitation revenue											
Less Revenue Foregone (in excess of free sanitation service to indigent households)		706	2 160	2 456	—	—	—	—	3 806	3 997	4 276
Less Cost of Free Basic Services (free sanitation service to indigent households)		5 096	4 139	4 252	6 284	6 284	6 284	6 284	2 946	3 228	3 454
Net Service charges - sanitation revenue		706	2 160	2 456	—	—	—	—	3 806	3 997	4 276
Service charges - refuse revenue	6	4 898	5 377	5 679	6 172	6 172	6 172	6 172	6 670	7 137	7 637
Total refuse removal revenue											
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)		596	1 902	2 376	2 859	2 859	2 859	2 859	3 806	3 997	4 276
Less Cost of Free Basic Services (removed once a week to indigent households)		4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Net Service charges - refuse revenue		4 302	3 475	3 304	6 172	3 313	3 313	3 313	2 864	3 141	3 361
Other Revenue by source	1	872	11 919	8 994	438	597	597	597	618	653	700
Building plans		19	47	25	33	14	14	14	15	16	17
Connection Fees		—	52	—	82	82	82	82	60	64	69
Hawker's license		—	—	7	9	6	6	6	9	10	10
Sundry income		764	11 654	8 789	12	314	314	314	354	379	405
Tender Fees		—	—	100	—	—	—	—	—	—	—
Cemetery Fees		29	39	30	41	41	41	41	40	35	38
Clearance Certificates		12	10	11	11	8	8	8	10	11	11
Insurance claims		—	—	30	30	30	30	30	40	43	46
Meter installation		—	—	65	65	65	65	65	40	43	46
Legal costs received Debtors		44	62	76	56	38	38	38	50	54	57
Total 'Other' Revenue	1	872	11 919	8 994	438	597	597	597	618	653	700
EXPENDITURE ITEMS:											
Employee related costs	2	24 633	25 856	27 651	33 152	28 989	28 989	28 989	31 013	32 583	34 875
Basic Salaries and Wages		2 705	3 400	3 711	7 265	4 051	4 051	4 051	4 633	4 861	5 202
Pension and UIF Contributions		803	1 030	1 195	2 411	1 834	1 834	1 834	2 093	2 198	2 352
Medical Aid Contributions		1 632	2 711	3 755	2 703	3 733	3 733	3 733	1 440	1 512	1 618
Overtime		—	—	—	—	—	—	—	—	—	—
Performance Bonus		2 291	2 036	2 065	2 679	2 103	2 103	2 103	2 344	2 462	2 634
Motor Vehicle Allowance		81	104	101	157	157	157	157	124	128	137
Cellphone Allowance		282	274	236	404	418	418	418	573	597	638
Housing Allowances		1 625	1 969	2 665	4 849	2 331	2 331	2 331	2 451	2 483	2 656
Other benefits and allowances		1 240	825	427	481	450	450	450	350	368	393
Payments in lieu of leave		136	135	135	451	353	353	353	230	246	264
Long service awards		377	381	400	—	—	—	—	402	422	452
Post-retirement benefits obligations		35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Less: Employees costs capitalised to PPE		—	—	—	—	—	—	—	—	—	—
Total Employee related costs	1	35 907	38 717	42 340	54 543	44 420	44 420	44 420	45 653	47 859	51 221
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital											
Depreciation & asset impairment	10	11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Depreciation of Property, Plant & Equipment		—	—	—	—	—	—	—	—	—	—
Lease amortisation		—	—	—	—	—	—	—	—	—	—
Capital asset impairment		—	—	—	—	—	—	—	—	—	—
Depreciation resulting from revaluation of PPE		—	—	—	—	—	—	—	—	—	—
Total Depreciation & asset impairment	1	11 286	9 015	12 189	14 307	14 307	14 307	14 307	14 610	15 177	15 747
Bulk purchases	1	22 905	28 124	32 811	33 500	33 500	33 500	33 500	36 400	38 220	45 864
Electricity Bulk Purchases		401	597	485	495	495	495	495	500	525	562
Water Bulk Purchases		23 506	28 721	33 296	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Total bulk purchases	1	23 506	28 721	33 296	33 995	33 995	33 995	33 995	36 900	38 745	46 426
Transfers and grants	1	1 488	2 546	1 923	—	—	—	—	—	—	—
Cash transfers and grants		—	—	—	12 942	—	—	—	—	—	—
Non-cash transfers and grants		1 488	2 546	1 923	—	—	—	—	—	—	—
Total transfers and grants	1	1 488	2 546	1 923	12 942	—	—	—	—	—	—
Contracted services	1	—	—	—	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Professional and Consulting Fees: Nashua		—	—	—	—	—	—	—	—	—	—
sub-total	1	—	—	—	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Allocations to organs of state:											
Electricity		—	—	—	—	—	—	—	—	—	—
Water		—	—	—	—	—	—	—	—	—	—
Sanitation		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total contracted services	1	—	—	—	1 800	2 500	2 500	2 500	1 800	1 890	2 022
Other Expenditure By Type	3	3 353	1 594	3 532	3 700	3 700	3 700	3 700	3 700	3 885	4 157
Collection costs		2 513	2 226	1 914	1 800	1 800	1 800	1 800	2 500	2 825	2 809
Contributions to 'other' provisions		2 681	4 309	1 124	2 016	3 374	3 374	3 374	2 618	3 057	3 491
Consultant fees		817	582	615	1 800	1 800	1 800	1 800	400	420	449
Audit fees		1 750	1 069	1 359	1 367	1 480	1 480	1 480	4 325	4 669	5 038
General expenses		400	450	500	550	487	487	487	580	609	652
Valuation fees		2	1 221	721	1 433	1 292	1 292	1 292	1 221	1 290	1 381
Insurance cost		612	915	1 020	825	876	876	876	905	950	1 017
Internal Charges		210	667	391	500	450	450	450	450	473	506
Membership fees: SALGA		251	273	352	400	400	400	400	400	441	472
Subsistence and Traveling		615	811	960	600	700	700	700	750	788	843
Security services		347	—	—	400	400	400	400	400	420	449
Printing and stationery		278	209	209	320	320	320	320	300	357	382
Legal expenses		2	210	210	200	100	100	100	100	105	112
Computer licences		250	260	345	545	313	313	313	547	574	618
Telephone		200	339	339	289	465	465	465	300	315	375
Workmen's compensation		2 883	2 200	2 185	6 611	5 086	5 086	5 086	6 067	6 365	6 781
Bank charges		1 489	2 546	1 923	—	—	—	—	1 000	1 426	1 789
Environmental Health Samples		—	—	—	—	—	—	—	—	—	—
Chemicals		—	—	—	—	—	—	—	—	—	—
Protective clothing		—	—	—	—	—	—	—	—	—	—
Repairs and maintenance		—	—	—	—	—	—	—	—	—	—
Operating grant expenditure		—	—	—	—	—	—	—	—	—	—
Total 'Other' Expenditure	1	18 653	19 694	23 467	33 689	38 531	38 531	38 531	29 824	32 128	34 912
Repairs and Maintenance by Expenditure Item	8	972	—	398	1 183	823	823	823	—	—	—
Employee related costs		1 356	2 022	1 232	2 513	1 766	1 766	1 766	2 561	2 689	2 847
Other materials		773	165	346	584	616	616	616	1 069	1 069	1 144
Contracted Services		1 389	13	209	2 322	1 882	1 882	1 882	2 488	2 607	2 790
Other Expenditure		4 490	2 200	2 185	6 611	5 086	5 086	5 086	6 067	6 365	6 781
Total Repairs and Maintenance Expenditure	9	4 490	2 200								

Table 49 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

NC078 Siyancuma - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - MUNICIPAL MANAGER	Vote 2 - COUNCIL	Vote 3 - CORPORATE AND HUMAN RESOURCES	Vote 4 - BUDGET AND TREASURY OFFICE	Vote 5 - PROPERTIES	Vote 6 - LIBRARIES	Vote 7 - CEMETARY	Vote 8 - PARKS AND RECREATION	Vote 9 - DISASTER MANAGEMENT	Vote 10 - WASTE MANAGEMENT	Vote 11 - PUBLIC WORKS	Vote 12 - ELECTRICITY	Vote 13 - WATER	Vote 14 - WASTE WATER MANAGEMENT	Vote 15 - TRAFFIC	Total
R thousand	1																
Revenue By Source																	
Property rates		–	–	–	11 016	–	–	–	–	–	–	–	–	–	–	–	11 016
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–	–	37 868	–	–	–	37 868
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–	–	13 609	–	–	13 609
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	2 946	–	2 946
Service charges - refuse revenue		–	–	–	–	–	–	–	–	–	2 864	–	–	–	–	–	2 864
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	175	–	–	175
Rental of facilities and equipment		–	–	–	30	218	–	–	–	–	–	–	–	–	–	–	248
Interest earned - external investments		–	–	–	100	–	–	–	–	–	–	–	–	–	–	–	100
Interest earned - outstanding debtors		–	–	–	700	–	–	–	–	–	–	–	–	–	–	–	700
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines		–	–	–	–	–	0	–	–	–	–	–	–	–	–	3 000	3 000
Licences and permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	80
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	800	800
Other revenue		–	–	216	256	1	–	40	–	–	–	–	75	25	5	–	618
Transfers recognised - operational		–	2 645	–	39 342	1 050	–	–	–	–	–	1 000	1 356	–	–	–	45 393
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	2 645	216	51 444	1 269	0	40	–	–	2 864	1 000	39 299	13 609	2 951	3 880	119 417
Expenditure By Type																	
Employee related costs		1 462	487	7 670	11 989	394	1 992	634	723	513	1 478	5 625	3 490	2 921	4 273	2 001	45 653
Remuneration of councillors		–	3 341	–	–	–	–	–	–	–	–	–	–	–	–	–	3 341
Debt impairment		–	–	–	13 864	–	–	–	–	–	–	–	–	–	–	–	13 864
Depreciation & asset impairment		81	49	1 940	251	166	–	–	82	35	22	3 156	2 594	3 265	2 948	21	14 610
Finance charges		–	6	1 065	200	–	–	–	–	–	310	60	10	55	90	40	1 836
Bulk purchases		–	–	–	–	–	–	–	–	–	–	–	36 400	500	–	–	36 900
Other materials		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services		–	–	1 800	–	–	–	–	–	–	–	–	–	–	–	–	1 800
Transfers and grants		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		353	1 335	4 072	8 407	3 406	193	26	425	540	729	2 593	2 342	3 244	1 504	655	29 824
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		1 895	5 219	16 547	34 711	3 967	2 185	661	1 229	1 088	2 539	11 434	44 636	9 985	8 815	2 717	147 828
Surplus/(Deficit)		(1 895)	(2 574)	(16 331)	16 732	(2 698)	(2 185)	(621)	(1 229)	(1 088)	326	(10 434)	(5 537)	3 824	(5 864)	1 163	(28 411)
Transfers recognised - capital		–	–	–	–	–	200	–	–	–	–	15 851	4 000	–	–	–	20 051
Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(1 895)	(2 574)	(16 331)	16 732	(2 698)	(1 985)	(621)	(1 229)	(1 088)	326	5 417	(1 537)	3 824	(5 864)	1 163	(8 360)

Table 50 MBRR Table SA3 – Supporting detail to Statement of Financial Position

NC078 Siyancuma - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		5 500	8 506	390	61	61	61	-			
Other current investments > 90 days		-	-	-	-	-	-	-			
Total Call investment deposits	2	5 500	8 506	390	61	61	61	-	-	-	-
Consumer debtors											
Consumer debtors		63 799	73 367	86 861	53 913	53 913	53 913	71 254	86 655	103 090	120 689
Less: Provision for debt impairment		(54 290)	(40 454)	(80 965)	(11 159)	(11 159)	(11 159)	(64 129)	(77 993)	(92 786)	(108 624)
Total Consumer debtors	2	9 508	32 912	5 896	42 754	42 754	42 754	7 125	8 662	10 305	12 065
Debt impairment provision											
Balance at the beginning of the year		41 740	54 290	40 454	-	-	-	80 965	64 129	77 993	92 786
Contributions to the provision		12 574	(12 580)	40 648	11 159	11 159	11 159	13 164	13 864	14 793	15 838
Bad debts written off		(24)	(1 256)	(137)	-	-	-	(30 000)	-	-	-
Balance at end of year		54 290	40 454	80 965	11 159	11 159	11 159	64 129	77 993	92 786	108 624
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		368 505	389 657	427 333	351 087	349 287	349 287	453 152	482 712	501 621	520 617
Leases recognised as PPE	3	-	-	-	-	-	-	-	4 290	4 290	4 290
Less: Accumulated depreciation		121 595	129 971	130 544	-	-	-	144 138	158 748	173 926	189 103
Total Property, plant and equipment (PPE)	2	246 910	259 685	296 789	351 087	349 287	349 287	309 014	328 254	331 985	335 804
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		2 140	2 330	1 264	710	710	710	1 521	1 523	1 523	1 523
Total Current liabilities - Borrowing		2 140	2 330	1 264	710	710	710	1 521	1 523	1 523	1 523
Trade and other payables											
Trade and other creditors		11 385	17 511	43 426	8 579	8 579	8 579	40 311	46 161	50 856	63 425
Unspent conditional transfers		10 119	17 106	910	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	21 504	34 617	44 336	8 579	8 579	8 579	40 311	46 161	50 856	63 425
Non current liabilities - Borrowing											
Borrowing	4	2 467	1 573	681	2 840	1 040	1 040	1 000	-	-	-
Finance leases (including PPP asset element)		3 903	3 121	4 147	-	-	-	3 047	3 046	1 523	-
Total Non current liabilities - Borrowing		6 371	4 693	4 827	2 840	1 040	1 040	4 047	3 046	1 523	-
Provisions - non-current											
Retirement benefits		9 889	11 468	14 252	23 185	23 185	23 185	15 752	15 699	17 219	18 844
List other major provision items		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		4 178	4 449	3 598	-	-	-	3 908	4 218	4 543	4 892
Long Service Awards		1 551	1 672	1 869	-	-	-	2 059	2 359	2 664	2 974
Total Provisions - non-current		15 618	17 588	19 719	23 185	23 185	23 185	21 719	22 276	24 426	26 710
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		278 024	232 418	257 354	330 764	338 963	338 963	218 582	238 379	229 819	217 881
GRAP adjustments		(56 119)	95	-	-	-	-	-	-	-	-
Restated balance		221 904	232 513	257 354	328 681	338 963	338 963	218 582	238 379	229 819	217 881
Surplus/(Deficit)		10 513	24 842	(12 464)	2 083	(8 198)	(8 198)	(8 198)	(8 360)	(12 087)	(20 166)
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	232 418	257 355	244 890	371 281	371 282	371 282	210 384	230 019	217 733	197 715
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	232 418	257 355	244 890	371 281	371 282	371 282	210 384	230 019	217 733	197 715
Total capital expenditure includes expenditure on nationally significant priorities:											
Provision of basic services		-	-	-	-	-	-	-	-	-	-

Table 51 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Description of economic indicator			Unit	2013 Census	2017 Survey	2011 Census	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55	2055/56	2056/57	2057/58	2058/59	2059/60	2060/61	2061/62	2062/63	2063/64	2064/65	2065/66	2066/67	2067/68	2068/69	2069/70	2070/71	2071/72	2072/73	2073/74	2074/75	2075/76	2076/77	2077/78	2078/79	2079/80	2080/81	2081/82	2082/83	2083/84	2084/85	2085/86	2086/87	2087/88	2088/89	2089/90	2090/91	2091/92	2092/93	2093/94	2094/95	2095/96	2096/97	2097/98	2098/99	2099/00	2100/01	2101/02	2102/03	2103/04	2104/05	2105/06	2106/07	2107/08	2108/09	2109/10	2110/11	2111/12	2112/13	2113/14	2114/15	2115/16	2116/17	2117/18	2118/19	2119/20	2120/21	2121/22	2122/23	2123/24	2124/25	2125/26	2126/27	2127/28	2128/29	2129/30	2130/31	2131/32	2132/33	2133/34	2134/35	2135/36	2136/37	2137/38	2138/39	2139/40	2140/41	2141/42	2142/43	2143/44	2144/45	2145/46	2146/47	2147/48	2148/49	2149/50	2150/51	2151/52	2152/53	2153/54	2154/55	2155/56	2156/57	2157/58	2158/59	2159/60	2160/61	2161/62	2162/63	2163/64	2164/65	2165/66	2166/67	2167/68	2168/69	2169/70	2170/71	2171/72	2172/73	2173/74	2174/75	2175/76	2176/77	2177/78	2178/79	2179/80	2180/81	2181/82	2182/83	2183/84	2184/85	2185/86	2186/87	2187/88	2188/89	2189/90	2190/91	2191/92	2192/93	2193/94	2194/95	2195/96	2196/97	2197/98	2198/99	2199/00	2200/01	2201/02	2202/03	2203/04	2204/05	2205/06	2206/07	2207/08	2208/09	2209/10	2210/11	2211/12	2212/13	2213/14	2214/15	2215/16	2216/17	2217/18	2218/19	2219/20	2220/21	2221/22	2222/23	2223/24	2224/25	2225/26	2226/27	2227/28	2228/29	2229/30	2230/31	2231/32	2232/33	2233/34	2234/35	2235/36	2236/37	2237/38	2238/39	2239/40	2240/41	2241/42	2242/43	2243/44	2244/45	2245/46	2246/47	2247/48	2248/49	2249/50	2250/51	2251/52	2252/53	2253/54	2254/55	2255/56	2256/57	2257/58	2258/59	2259/60	2260/61	2261/62	2262/63	2263/64	2264/65	2265/66	2266/67	2267/68	2268/69	2269/70	2270/71	2271/72	2272/73	2273/74	2274/75	2275/76	2276/77	2277/78	2278/79	2279/80	2280/81	2281/82	2282/83	2283/84	2284/85	2285/86	2286/87	2287/88	2288/89	2289/90	2290/91	2291/92	2292/93	2293/94	2294/95	2295/96	2296/97	2297/98	2298/99	2299/00	2300/01	2301/02	2302/03	2303/04	2304/05	2305/06	2306/07	2307/08	2308/09	2309/10	2310/11	2311/12	2312/13	2313/14	2314/15	2315/16	2316/17	2317/18	2318/19	2319/20	2320/21	2321/22	2322/23	2323/24	2324/25	2325/26	2326/27	2327/28	2328/29	2329/30	2330/31	2331/32	2332/33	2333/34	2334/35	2335/36	2336/37	2337/38	2338/39	2339/40	2340/41	2341/42	2342/43	2343/44	2344/45	2345/46	2346/47	2347/48	2348/49	2349/50	2350/51	2351/52	2352/53	2353/54	2354/55	2355/56	2356/57	2357/58	2358/59	2359/60	2360/61	2361/62	2362/63	2363/64	2364/65	2365/66	2366/67	2367/68	2368/69	2369/70	2370/71	2371/72	2372/73	2373/74	2374/75	2375/76	2376/77	2377/78	2378/79	2379/80	2380/81	2381/82	2382/83	2383/84	2384/85	2385/86	2386/87	2387/88	2388/89	2389/90	2390/91	2391/92	2392/93	2393/94	2394/95	2395/96	2396/97	2397/98	2398/99	2399/00	2400/01	2401/02	2402/03	2403/04	2404/05	2405/06	2406/07	2407/08	2408/09	2409/10	2410/11	2411/12	2412/13	2413/14	2414/15	2415/16	2416/17	2417/18	2418/19	2419/20	2420/21	2421/22	2422/23	2423/24	2424/25	2425/26	2426/27	2427/28	2428/29	2429/30	2430/31	2431/32	2432/33	2433/34	2434/35	2435/36	2436/37	2437/38	2438/39	2439/40	2440/41	2441/42	2442/43	2443/44	2444/45	2445/46	2446/47	2447/48	2448/49	2449/50	2450/51	2451/52	2452/53	2453/54	2454/55	2455/56	2456/57	2457/58	2458/59	2459/60	2460/61	2461/62	2462/63	2463/64	2464/65	2465/66	2466/67	2467/68	2468/69	2469/70	2470/71	2471/72	2472/73	2473/74	2474/75	2475/76	2476/77	2477/78	2478/79	2479/80	2480/81	2481/82	2482/83	2483/84	2484/85	2485/86	2486/87	2487/88	2488/89	2489/90	2490/91	2491/92	2492/93	2493/94	2494/95	2495/96	2496/97	2497/98	2498/99	2499/00	2500/01	2501/02	2502/03	2503/04	2504/05	2505/06	2506/07	2507/08	2508/09	2509/10	2510/11	2511/12	2512/13	2513/14	2514/15	2515/16	2516/17	2517/18	2518/19	2519/20	2520/21	2521/22	2522/23	2523/24	2524/25	2525/26	2526/27	2527/28	2528/29	2529/30	2530/31	2531/32	2532/33	2533/34	2534/35	2535/36	2536/37	2537/38	2538/39	2539/40	2540/41	2541/42	2542/43	2543/44	2544/45	2545/46	2546/47	2547/48	2548/49	2549/50	2550/51	2551/52	2552/53	2553/54	2554/55	2555/56	2556/57	2557/58	2558/59	2559/60	2560/61	2561/62	2562/63	2563/64	2564/65	2565/66	2566/67	2567/68	2568/69	2569/70	2570/71	2571/72	2572/73	2573/74	2574/75	2575/76	2576/77	2577/78	2578/79	2579/80	2580/81	2581/82	2582/83	2583/84	2584/85	2585/86	2586/87	2587/88	2588/89	2589/90	2590/91	2591/92	2592/93	2593/94	2594/95	2595/96	2596/97	2597/98	2598/99	2599/00	2600/01	2601/02	2602/03	2603/04	2604/05	2605/06	2606/07	2607/08	2608/09	2609/10	2610/11	2611/12	2612/13	2613/14	2614/15	2615/16	2616/17	2617/18	2618/19	2619/20	2620/21	2621/22	2622/23	2623/24	2624/25	2625/26	2626/27	2627/28	2628/29	2629/30	2630/31	2631/32	2632/33	2633/34	2634/35	2635/36	2636/37	2637/38	2638/39	2639/40	2640/41	2641/42	2642/43	2643/44	2644/45	2645/46	2646/47	2647/48	2648/49	2649/50	2650/51	2651/52	2652/53	2653/54	2654/55	2655/56	2656/57	2657/58	2658/59	2659/60	2660/61	2661/62	2662/63	2663/64	2664/65	2665/66	2666/67	2667/68	2668/69	2669/70	2670/71	2671/72	2672/73	2673/74	2674/75	2675/76	2676/77	2677/78	2678/79	2679/80	2680/81	2681/82	2682/83	2683/84	2684/85	2685/86	2686/87	2687/88	2688/89	2689/90	2690/91	2691/92	2692/93	2693/94	2694/95	2695/96	2696/97	2697/98	2698/99	2699/00	2700/01	2701/02	2702/03	2703/04	2704/05	2705/06	2706/07	2707/08	2708/09	2709/10	2710/11	2711/12	2712/13	2713/14	2714/15	2715/16	2716/17	2717/18	2718/19	2719/20	2720/21	2721/22	2722/23	2723/24	2724/25	2725/26	2726/27	2727/28	2728/29	2729/30	2730/31	2731/32	2732/33	2733/34	2734/35	2735/36	2736/37	2737/38	2738/39	2739/40	2740/41	2741/42	2742/43	2743/44	2744/45	2745/46	2746/47	2747/48	2748/49	2749/50	2750/51	2751/52	2752/53	2753/54	2754/55	2755/56	2756/57	2757/58	2758/59	2759/60	2760/61	2761/62	2762/63	2763/64	2764/65	2765/66	2766/67	2767/68	2768/69	2769/70	2770/71	2771/72	2772/73	2773/74	2774/75	2775/76	2776/77	2777/78	2778/79	2779/80	2780/81	2781/82	2782/83	2783/84	2784/85	2785/86	2786/87	2787/88	2788/89	2789/90	2790/91	2791/92	2792/93	2793/94	2794/95	2795/96	2796/97	2797/98	2798/99	2799/00	2800/01	2801/02	2802/03	2803/04	2804/05	2805/06	2806/07	2807/08	2808/09	2809/10	2810/11	2811/12	2812/13	2813/14	2814/15	2815/16	2816/17	2817/18	2818/19	2819/20	2820/21	2821/22	2822/23	2823/24	2824/25	2825/26	2826/27	2827/28	2828/29	2829/30	2830/31	2831/32	2832/33	2833/34	2834/35	2835/36	2836/37	2837/38	2838/39	2839/40	2840/41	2841/42	2842/43	2843/44	2844/45	2845/46	2846/47	2847/48	2848/49	2849/50	2850/51	2851/52	2852/53	2853/54	2854/55	2855/56	2856/57	2857/58	2858/59	2859/60	2860/61	2861/62	2862/63	2863/64	2864/65	2865/66	2866/67	2867/68	2868/69	2869/70	2870/71	2871/72	2872/73	2873/74	2874/75	2875/76	2876/77	2877/78	2878/79	2879/80	2880/81	2881/82	2882/83	2883/84	2884/85	2885/86	2886/87	2887/88	2888/89	2889/90	2890/91	2891/92	2892/93	2893/94	2894/95	2895/96	2896/97	2897/98	2898/99	2899/00	2900/01	2901/02	2902/03	2903/04	2904/05	2905/06	2906/07	2907/08	2908/09	2909/10	2910/11	2911/12	2912/13	2913/14	2914/15	2915/16	2916/17	2917/18	2918/19	2919/20	2920/21	2921/22	2922/23	2923/24	2924/25	2925/26	2926/27	2927/28	2928/29	2929/30	2930/31	2931/32	2932/33	2933/34	2934/35	2935/36	2936/37	2937/38	2938/39	2939/40	2940/41	2941/42	2942/43	2943/44	2944/45	2945/46	2946/47	2947/48	2948/49	2949/50	2950/51	2951/52	2952/53	2953/54	2954/55	2955/56	2956/57	2957/58	2958/59	2959/60	2960/61	2961/62	2962/63	2963/64	2964/65	2965/66	2966/67	2967/68	2968/69	2969/70	2970/71	2971/72	2972/73	2973/74	2974/75	2975/76	2976/77	2977/78	2978/79	2979/80	2980/81	2981/82	2982/83	2983/84	2984/85	2985/86	2986/87	2987/88	2988/89	2989/90	2990/91	2991/92	2992/93	2993/94	2994/95	2995/96	2996/97	2997/98	2998/99	2999/00	3000/01	3001/02	3002/03	3003/04	3004/05	3005/06	3006/07	3007/08	3008/09	3009/10	3010/11	3011/12	3012/13	3013/14	3014/15	3015/16	3016/17	3017/18	3018/19	3019/20	3020/21	3021/22	3022/23	3023/24	3024/25	3025/26	3026/27	3027/28	3028/29	3029/30	3030/31	3031/32	3032/33	3033/34	3034/35	3035/36	3036/37	3037/38	3038/39	3039/40	3040/4
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Table 52 MBRR SA32 – List of external mechanisms

NC078 Siyancuma - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
	Yrs				
	Yrs				
	Yrs				
	Yrs				
	Yrs				
	Yrs				
	Yrs				
	Yrs				

1.17.1.1 Table 52 -Schedule of Service Delivery Standards Table

Municipality Siyancuma NC 78 - Schedule of Service Delivery Standards Table	
Description	
Standard	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	Weekly
Premise based removal (Business Frequency)	Weekly
Bulk Removal (Frequency)	Weekly
Removal Bags provided(Yes/No)	Yes
Garden refuse removal Included (Yes/No)	No
Street Cleaning Frequency in CBD	Daily
Street Cleaning Frequency in areas excluding CBD	Weekly
How soon are public areas cleaned after events (24hours/48hours/longer)	24
Clearing of illegal dumping (24hours/48hours/longer)	Longer
Recycling or environmentally friendly practices(Yes/No)	Yes
Licenced landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	Generally good
Is free water available to all? (All/only to the indigent consumers)	Only indigent consumers
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	Yes
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	Month

<i>Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)</i>	
One service connection affected (number of hours)	Within 12 hours
Up to 5 service connection affected (number of hours)	Within 12 hours
Up to 20 service connection affected (number of hours)	Within 12 hours
Feeder pipe larger than 800mm (number of hours)	Within 12 hours
What is the average minimum water flow in your municipality?	Unknown
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes
How long does it take to replace faulty water meters? (days)	Within 5 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	Unknown
Do your municipality have a ripple control in place that is operational? (Yes/No)	No
How much do you estimate is the cost saving in utilizing the ripple control system?	Sustem not available
What is the frequency of meters being read? (per month, per year)	Monthly
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	Yes
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	If not replaced, ongoing
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	Within 24 hours
Are accounts normally calculated on actual readings? (Yes/no)	Yes

Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty meters? (days)	Within 24 hours
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	No
How effective is the action plan in curbing line losses? (Good/Bad)	Good
How soon does the municipality provide a quotation to a customer upon a written request? (days)	5
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	180 Days
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	5
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	5
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	No It requires further upgrades
To what extend do you subsidize your indigent consumers?	100
<i>How long does it take to restore sewerage breakages on average</i>	
Severe overflow? (hours)	Whithin 12 hours
Sewer blocked pipes: Large pipes? (Hours)	Whithin 12 hours
Sewer blocked pipes: Small pipes? (Hours)	Whithin 12 hours
Spillage clean-up? (hours)	Whithin 12 hours
Replacement of manhole covers? (Hours)	Whithin 12 hours

Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	1
Time taken to repair a single pothole on a minor road? (Hours)	1
Time taken to repair a road following an open trench service crossing? (Hours)	2
Time taken to repair walkways? (Hours)	5
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	If not replaced, ongoing
Do you have any special rating properties? (Yes/No)	No
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease
Are the financial statement outsources? (Yes/No)	Partly
Are there Council adopted business process restructuring the flow and management of documentation feeding to Trial Balance?	No
How long does it take for an Tax/Invoice to be paid from the date it has been received?	Depends on cash flow
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	No
Administration	
Reaction time on enquiries and requests?	15 to 20 minutes
Time to respond to a verbal customer enquiry or request? (working days)	5 working days
Time to respond to a written customer enquiry or request? (working days)	14 Days

Time to resolve a customer enquiry or request? (working days)	Depend on complaint
What percentage of calls are not answered? (5%,10% or more)	5
How long does it take to respond to voice mails? (hours)	Minutes
Does the municipality have control over locked enquiries? (Yes/No)	No
Is there a reduction in the number of complaints or not? (Yes/No)	No
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 Week
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Monthly
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	8 Minutes
How long does it take to renew a vehicle license? (minutes)	5 minutes
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	5 Minutes
How long does it take to de-register a vehicle? (minutes)	5 Minutes
How long does it take to renew a drivers license? (minutes)	15 - 20 minutes
What is the average reaction time of the fire service to an incident? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	N/A
Economic development	
How many economic development projects does the municipality drive?	Not Available
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	Not Available

What percentage of the projects have created sustainable job security?	Not Available
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	No
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	No
Does the municipality have training or information sessions to inform the community? (Yes/No)	No
Are customers treated in a professional and humanly manner? (Yes/No)	Yes

Municipal manager's quality certificate

I, **H F NEL**, municipal manager of Siyancuma Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: H F NEL

Municipal manager of Siyancuma Municipality (NC078)

Signature: _____

Date: _____